

# Recent Trends in Public-sector Performance and Productivity in Europe



ASIAN PRODUCTIVITY ORGANIZATION

First published in Japan  
by the Asian Productivity Organization  
Leaf Square Hongo Building 2F  
1-24-1 Hongo, Bunkyo-ku  
Tokyo 113-0033, Japan  
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## **ACKNOWLEDGEMENT**

The APO is grateful to Benchmarking Partnerships Directors Bruce Searles and Anton Benc, and BCS Management Services (UK) Partner Terry Pilcher who were responsible for leading this project and writing of this report Recent Trends in Public-Sector Performance and Productivity in Europe that is based on the findings from the first public-sector performance study mission in Europe organized by the APO, 27 September – 2 October 2015.

The APO also acknowledges the Center of Excellence on Public-sector Productivity (COE on PSP) in the Development Academy of the Philippines (DAP), and it's Vice-President Magdalena Mendoza for her contributions to the final report as one of the two mission experts.

## **EXECUTIVE SUMMARY**

The Asian Productivity Organization (APO) has had a major focus on improving public-sector productivity (PSP) since 2009. This means achieving efficient performance using limited government resources. Generally, it is about ensuring value for taxpayers' money since public resources largely come from taxes. A PSP Program framework was developed allowing the APO and its 19 National Productivity Organizations to adopt a coordinated approach to promoting innovation and productivity in the public sector in the short, medium, and long terms.

This report encapsulates the learning from the First Public-sector Performance Study Mission in Europe from 27 September to 2 October 2015 and makes recommendations to the APO. The mission visited Belgium, The Netherlands, Germany, and Luxembourg and was facilitated by: Terry Pilcher (Partner), BCS Management Services (UK); Patrick Staes (Belgian Seconded National Expert), Nick Thijss (Senior Lecturer), and Ann Stoffels (Senior Program Assistant), Common Assessment Framework (CAF) Resource Centre, European Institute for Public Administration (EIPA); and Bruce Searles and Anton Benc (Directors), Benchmarking Partnerships (Asia/Pacific).

The study mission was attended by delegates from Fiji, Mongolia, the Philippines (including the APO Center of Excellence on PSP), and Singapore. Key organizations visited/learned from were the:

- EIPA/CAF Resource Centre, Maastricht, The Netherlands;
- Istituto Professionale di Stato "L. Milani," Meda, Italy;
- City of Mannheim, Germany;
- Federal Public Service Finance, Belgium;
- CAF Resource Centre, Belgium;
- Brussels Regional Government;
- Air Navigation Administration, Luxembourg; and
- 8th European Public Sector Quality Conference (8QC), Luxembourg.

The following summarizes the key findings from the study mission which are elaborated in more detail in this publication. The conclusions include recommendations to the APO from the authors. This report and its recommendations cover an assignment consisting of: 1) undertaking research on recent trends in PSP and performance in Europe; and 2) preparing and submitting a research report covering best practices of PSP and performance in Europe and recommendations for the APO for improving PSP performance in the Asia-Pacific region. This publication includes the key learning needs expressed in preparation for the study mission by the APO and its member countries that sent delegates.

### **The CAF**

The CAF is used voluntarily by about 4,000 public-sector organizations throughout Europe and by about another 1,000 public-sector agencies outside the EU. It is tailored specifically to the public sector with key features like the measurement of the relationship between agency leaders and politicians. Other CAF features are:

- Supported by the EU Community;
- Deployed through voluntary self-assessment;
- Flexible deployment to suit the needs of individual agencies;

- No awards are given but certification (two years) is given for proper use (the right to display the CAF label);
- Backed up by training, guidance, user meetings, and publications;
- The CAF Community is facilitated by the CAF Resource Centre and the EIPA;
- Similar to other business excellence frameworks globally, and therefore “benchmarkable”;
- Internal improvements linked to improvement of external outcomes for stakeholders;
- Consists of enabler and result indicators;
- Unique way of measuring results, perception, and performance with strong reliance on trends in the users’ own key performance indicators and linked to existing performance-based management systems in organizations;
- Gives guidance on prioritization, action planning, and improvement; and
- Emphasizes sustainability (organization and society/environment) and innovation.

### Case Studies: CAF Users and Others

The case studies of CAF users are valuable for the APO as it considers adapting a similar framework to its members’ environment. The case studies in Part 5 and Annex 1 of this report point out what worked well and what did not and the deployment experience in small and large organizations. They demonstrate the flexibility of the CAF model and its impact on performance outcomes. They also illustrate how quality improvements can be approached through different criteria of the CAF model, depending on the organization and its circumstances, as the model is holistic and its embedded criteria interactive. For example, the City of Mannheim approach to improvement was through leadership (top down), the Air Navigation Administration approach was through planning, and the Italian Istituto Professionale di Stato “L. Milani” approach was through people engagement (bottom up).

### 8QC

The biannual 8QC meetings are a good way of bringing delegates together and sharing best practices and ideas. The 8QC had nearly 300 attendees from most European countries and included plenary sessions and innovative parallel best practice-sharing sessions (overview



*The study mission delegation was invited to the 8QC Conference attended by about 300 people in Luxembourg.*

followed by choice of an in-depth session). “The quality of public administration strongly affects competitiveness, growth, and social cohesion, and therefore the need to modernize administrative systems is a top priority across the EU,” was one of the conclusions of ministers responsible for public administration at the EU Member States meeting in Rome, 3 December 2014. The key 8QC (EU Public Sector) themes were:

- Theme 1: Public administration in the cycle of policy design, implementation, and evaluation;
- Theme 2: Strategic thinking in future-oriented and innovative public administration;
- Theme 3: Strengthening professionalism in building innovative public administration;
- Theme 4: Innovative service provisions through stakeholder and citizen/user involvement; and
- Theme 5: Enhancing societally responsible public administration.

This report also contains a research paper by the APO expert from the COE on PSP and study mission participant Magdalena Mendoza as a separate annex. A selection of her findings was used in writing the overall analysis and recommendations of this report.



*Study mission delegates and organizers at the CAF Resource Centre, EIPA, (left) and listening intently and recording notes (right) at the EIPA in Maastricht, The Netherlands.*

## **1. INTRODUCTION, BACKGROUND, AND KEY LEARNING POINTS**

The public sector is the sometimes forgotten backbone of the economy providing the expertise and administrative focus for governments to make and deploy policies that have significant impacts on the quality of life and the economics of populations, both now and in the future. Much of the focus in terms of quality, efficiency, and effectiveness has been directed at the private sector, yet the umbrella of government controls most of the environment in which the private sector operates. Therefore government policy and administration, directly or indirectly, can influence and enhance the success of the private sector as well as nonprofit organizations that often deliver on behalf of governments.

### **Public Administration as Part of the Solution**

“The quality of public administration strongly affects competitiveness, growth, and social cohesion, and therefore the need to modernize administrative systems is a top priority across the EU,” was the conclusion reached by ministers responsible for public administration at the EU Member States Meeting in Rome, 3 December 2014. As an example of the need to improve the public sector, the Asian Productivity Organization (APO) has

focused on improving public-sector productivity (PSP) since 2009. This means producing efficient performance using limited government resources. Generally, it is about ensuring value for taxpayers' money since public resources largely come from taxes. A PSP Program framework was developed allowing the APO and its 19 National Productivity Organizations (NPOs) to adopt a coordinated approach to promoting innovation and productivity in the public sector in the short, medium, and long terms.

BCS Management Services and Benchmarking Partnerships are always looking for learning opportunities for clients to help them to resolve their key issues and continually improve. Benchmarking Partnerships and BCS Management Services joined forces in 2008 as knowledge brokers to seek and offer global opportunities for partners and clients. After successfully conducting a joint Study Mission on Knowledge Management in Germany in 2009 and being extensively involved in business excellence (BE) throughout their careers, the authors became aware of the Common Assessment Framework (CAF) and its widespread adoption in the public sector in Europe.

We therefore approached the CAF Resource Centre in 2013 to seek an opportunity for our clients and partners to resolve key issues facing the public sector. Patrick Staes, Seconded National Expert, and Nick Thijs, Senior Lecturer, were open to developing a partnership with us to conduct a study mission to share European experiences with APO members. This led to the First Study Mission on Public-sector Performance in Europe from 27 September to 2 October 2015 organized by the APO.

## The APO and PSP

The APO has recently designated one of its NPOs, the Development Academy of the Philippines (DAP), as the Center of Excellence (COE) on PSP. The APO started activities for the public sector in 2009 with a study meeting on Public-sector Productivity in the ROK and a workshop on Benchmarking Service Quality in the Public Sector in Indonesia. An expert group met in February 2010 to identify areas of engagement and make recommendations for PSP improvement in the region. That meeting was followed by a study mission to the nonmember country Canada and subsequent study meeting on Innovation in Public-sector Service Delivery in November 2010 in Indonesia. A PSP Program framework was developed allowing the APO and NPOs to adopt a coordinated approach to promoting innovation and productivity in the public sector in the short, medium, and long terms. A workshop to finalize the framework was held 2–6 July in Jakarta in association with the Directorate General of Organization Training and Productivity Development, Ministry of Manpower and Transmigration. Twenty-four public sector-related professionals worked to develop the framework, facilitated by four APO experts from Canada, the ROK, and the Philippines.



*(L–R): Nick Thijs, Patrick Staes, Terry Pilcher, and Bruce Searles at the EIPA/CAF Resource Centre.*

The APO PSP Program addresses vital elements that NPOs consider the most urgent and relevant to enhance productivity in the sector throughout the region. Five thematic priority areas were identified: service quality; innovation leadership; e-government; regulatory

reform; and citizen-centered services. According to the APO, the government or public sector creates the policy, infrastructure, and service delivery environment so that the private sector, civil society, NGOs, citizens, and international organizations can be more effective partners as engines of growth in the socioeconomic development of a country. The role of the public sector is important in all APO member countries for its direct and indirect contributions to GDP and in terms of business development and employment generation. Its role is also significant in providing social security and a safety net in APO member countries.

Many NPOs are mandated by their governments to undertake various initiatives to enhance the productivity of this sector, in which they are actively engaged. The APO document *Public-sector Productivity and Broad Action Plan* [1] stated, "If we have been concerned over the years with industrial, labor, agricultural, and service-sector productivity, it is high time that we also became concerned with public-sector productivity." Improving PSP means achieving efficient, effective performance using limited government resources. In technical terms, the calculation is represented by standardized efficiency (or output per unit of resources) X effectiveness (or quality output with a focus on citizens and other stakeholders). Generally, it is about ensuring value for taxpayers' money since public resources mainly come from taxes. Another important principle focused on in Europe is the role of the public sector in supporting the processes of governments (issuing identification, policymaking, policy deployment, regulatory reform, communications, and evaluation).

Over the years, improvements in public-sector efficiency and effectiveness have been made by increasing worker motivation and skills, strengthening management systems, and performance measurement coupled with incentive schemes, reorganizing jobs and work processes, reengineering the bureaucracy, budget reform, service quality improvement, and the application of technology and operational innovations. To sustain productivity enhancement in the public sector in these areas, complementary efforts are necessary to strengthen the capacity of NPOs. The PSP Program framework covers capacity development at the institutional, organizational, and individual levels and focuses on two sides of PSP: for the public sector to provide an environment that is conducive to improving the quality of life of citizens and productivity of businesses; and improving productivity in the sector itself. The PSP Program framework will ensure that the APO's efforts in this field will promote productivity and quality approaches to raise the quality of public-sector governance and public service delivery, making the most of scarce resources.

### *The APO PSP Framework*

The APO has recently developed the PSP Program framework (Figure 1) to guide NPOs in strategizing their activities and adopt a coordinated approach to promoting innovation and productivity in the sector. Through the PSP Program, the APO envisioned that public-sector organizations, institutions, and professionals in member countries would be able to demonstrate productivity enhancement leading to citizen satisfaction and greater public trust, cost-effectiveness and increased accountability in the use of public resources, greater national competitiveness, and a better quality of life.

In general, the objective of the APO PSP Program framework is to provide a common understanding among member countries, emphasize key principles to improve productivity, and serve as a reference for the APO and NPOs. Specifically, the framework: 1) identifies major areas of engagement/niche areas for the APO and NPOs; 2) specifies the major groups for which PSP enhancement activities may be conducted; and 3) indicates the modality and methods of delivery of APO projects on the sector.

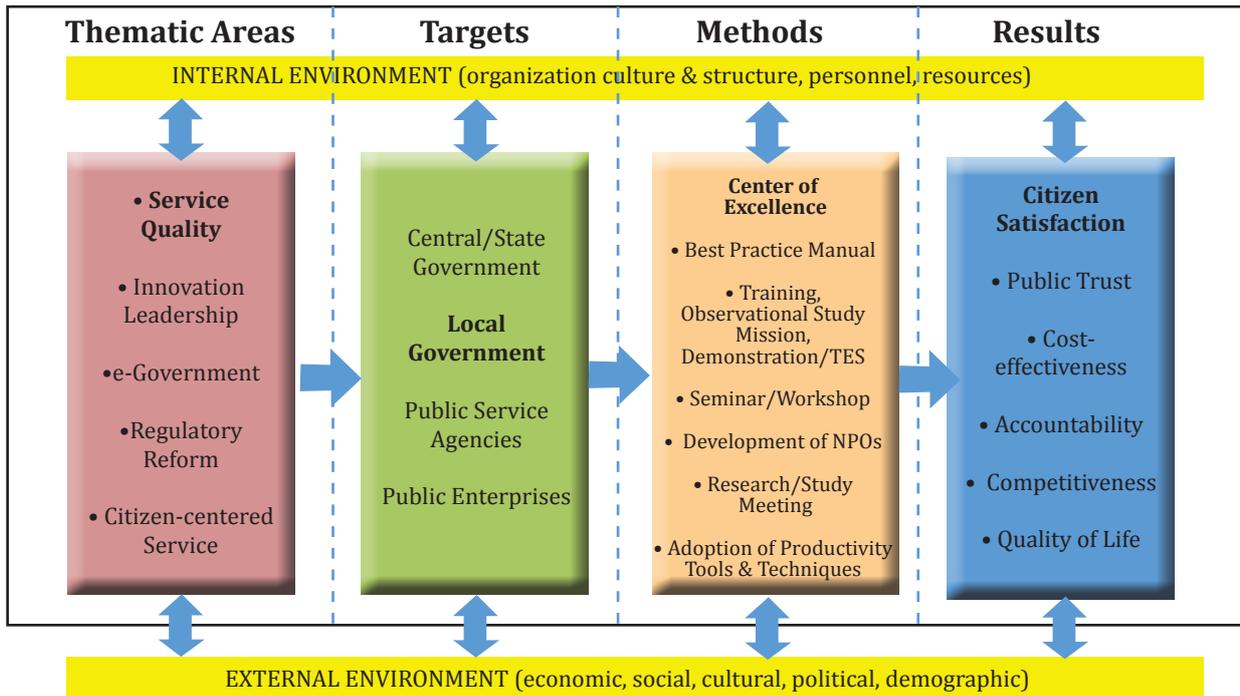


Figure 1. APO PSP Program framework.

Mendoza [2], who joined the study mission to Europe and contributed Annex 2 to this volume, noted that the PSP Program framework covered the five thematic areas identified as well as the targets, methods, and expected results that NPOs considered the most urgent and relevant. Service quality focuses on achieving service excellence by continuous, incremental improvements. e-Government involves the effective use of ICT in operations to improve overall productivity. Innovation leadership aims to create more efficient, effective products and services by influencing others in performing public tasks. Regulatory reform seeks to remove unnecessary obstacles to competition, innovation, and growth, while ensuring that important social objectives are met. Citizen-centered service means promoting high levels of satisfaction with public service delivery by understanding expectations, measuring performance, ensuring accountability, and improving the capacity of the sector.

The targets of APO PSP projects are central and local governments, public service agencies, and public enterprises. Governments encompass central/federal and state/provincial organizations and local bodies including municipal/city governments. Public service agencies cover all government-owned organizations providing services to businesses and citizens, while public enterprises include all manufacturing facilities owned by the government.

It was proposed that a COE in the region providing services to public-sector organizations be created. The establishment of COE in areas in which NPOs have unique strengths and expertise is a key strategy adopted by the APO. On 27 April 2015, the APO Governing Body formally designated the DAP as the COE on PSP. The DAP functions as a public-sector think-tank and main training arm of the government. The mission of the COE on PSP is four-fold:

- To assist the APO in advancing the PSP movement in the Asia-Pacific region;
- To help address common critical issues in PSP performance in member countries;

- To foster cutting-edge research, facilitate training and knowledge-sharing, and support outreach to member countries seeking to increase the productivity of public-sector organizations; and
- To serve as the hub of a “web of collaborators” on innovation and productivity in the public sector.

COE activities are broadly categorized based on the four elements in its mission: 1) PSP Knowledge Center; 2) PSP Capability Development Program; 3) PSP Innovation Laboratory; and 4) PSP Research Program. The PSP Knowledge Center will serve as an online repository of PSP knowledge products derived from APO projects. Face-to-face and online training, seminars, etc. will be offered to other APO member countries for knowledge transfer under the PSP Capability Development Program. The PSP Innovation Laboratory will serve as a venue for NPOs and public organizations to obtain first-hand information on PSP tools and approaches. The PSP Research Program will study emerging trends and develop tools and techniques to transfer to other NPOs and public organizations. Benchmarking against similar institutions and advanced public-sector organizations within and outside the Asia-Pacific region, e.g., the EU Public Administration Network (EUPAN), European Institute of Public Administration (EIPA), Benchmarking Partnerships, and BCS Management Services, can provide the COE on PSP with valuable inputs for refining its conceptual design and scope of activities.

### **Objectives of This Report**

The APO assigned Bruce Searles, Director and Managing Partner, Benchmarking Partnerships, to produce a report based on the findings of the First Public-sector Performance Study Mission in Europe. Searles was assisted in writing this report by study mission co-facilitators Terry Pilcher, Director, BCS Management Services, and Benchmarking Partnerships Co-Director Anton Benc. This report links the findings and case studies to the APO PSP framework and directly addresses the specific learning needs raised by the APO and DAP prior to the study mission:

- Recent trends in enhancing PSP and performance in Europe;
- Best practices of PSP and performance in Europe and recommendations for the APO to improve them in the region;
- Sustainability;
- Innovation;
- Public service quality enhancement;
- PSP enhancement approaches;
- Differences in small versus large public-service organizations;
- Whether and how productivity is embedded in the public organization mindset;
- How the PSP improvement movement evolved in Europe;
- Different models of productivity measurement and performance management;
- Future directions of the public sector in the EU; and
- Service quality, innovation leadership, e-government, regulatory reform, and citizen-centered services.

The background on productivity movements in the European countries visited is also addressed along with human resources development programs for the public sector; performance management/incentives, and regulatory quality. In addition, this report draws on the ideas and the collective experiences of study mission delegates from Fiji, Mongolia, the Philippines, and Singapore.

## 2. FIRST PUBLIC-SECTOR PERFORMANCE STUDY MISSION IN EUROPE

The study mission, held 27 September–2 October 2015 in Brussels, Maastricht, Mannheim, and Luxembourg (Figure 2), was conceived of by Terry Pilcher, BCS Management Services (UK); Bruce Searles and Anton Benc, Benchmarking Partnerships (Asia/Pacific); and Patrick Staes and Nick Thijs, of the EIPA, in 2013. The program evolved to include the 8th European Quality Conference (8QC), held in Luxembourg on 1 and 2 October 2015, thanks to the generous support of EUPAN and the Presidency of the EU (Grand Duchy of Luxembourg).

The program centered on learning about the CAF, which is used by over 4,000 public-sector agencies across Europe, including site visits and presentations by users of the CAF on their best practices, leadership, planning, customer focus, etc. The CAF background and instrument is described in more detail in Part 7 and Attachment 2. The mission provided:

- In-depth insight into the CAF instrument and European and national dynamics;
- A unique opportunity to receive firsthand information from the drivers behind this successful instrument;
- Access to the 8QC attended by 280 individuals from 28 European countries;
- Occasions to meet, discuss, and share experiences with public-sector organizations working with the CAF which could demonstrate the steps in the CAF process and the results achieved;
- An opportunity to examine good practices of European public-sector organizations on topics such as public-sector leadership, driving a participative cultural change starting from an organizational self-assessment approach, human resources management, citizen-oriented approaches, performance measurement systems, innovative approaches, and capacity building to tackle current societal challenges; and
- Visits to EU institutions (in Brussels) and the European CAF Resource Centre (in The Netherlands) as well as meeting other CAF users from around Europe.



Figure 2. Study mission map.

The study mission was attended by a small group of 12 representing the APO Secretariat, DAP, Mongolian Productivity Organization, Darkhan Thermal Power Plant of Mongolia, Social Insurance Government Office of Mongolia, Fiji Revenue and Customs Authority, Department of Immigration Fiji, Itaukei Land Trust Board Fiji, Fiji Roads Authority, and the Inland Revenue Authority of Singapore. It was led and facilitated by Terry Pilcher and Bruce Searles, while Patrick Staes and Nick Thijs arranged the technical program, with Ann Stoffels of the EIPA providing logistic support and Anton Benc supporting program development and wrap-up.

A key feature of the mission was a facilitative, delegate-centered learning leadership style. Delegates were encouraged to record what they learned at every opportunity based on a template provided by the facilitators. They also shared their own knowledge, experiences, and ideas. Action planning for each participating organization was carried out near the conclusion of the mission.

An overall feature of the planning was an “effortless and full customer experience,” meaning careful coordination, logistics management, and contingency back-up options. The facilitators focused on being delegate-centric during the entire study mission including after-hours events and sightseeing.



*Learning points from a site visit being recorded by delegates in transit.*

In addition to the specific learning needs the delegates identified before the study mission, they also hoped to find out more about:

- Future directions for the public sector in the EU;
- Experience in integrating the CAF as part of their work;
- Experience in engaging and/or communicating with stakeholders (including staff) on the value of the CAF;
- Challenges that the European public sector is facing and how they are being addressed; and
- Service quality, innovation leadership, e-government, regulatory reform, and citizen-centered services.

Delegates were also eager to examine the background of productivity movements in the countries visited, human resources development programs for the public sector, performance management/incentives, and regulatory quality. They wanted to know how the PSP improvement movement had evolved in Europe with different models of productivity measurement and performance management. They requested sharing of the best practices for each CAF category and case studies on how organizations (both public and private) used BE tools effectively, especially in improving service delivery or internal processes.

### 3. CASE STUDIES AND LEARNING POINTS

#### **Istituto Professionale di Stato “L. Milani”–Meda**

This case study of an Italian educational institution was a good example of strong leadership resulting in innovative outcomes. This special inclusive educational institution undergoes constant transition and change, due to increasing demands from stakeholders and limited resources. The school started implementing the CAF in 2009. The CAF model and self-assessment provided a new way of working together by abandoning the former functional managerial structure and helping teachers to overcome the sociopsychological “warfare” experienced by the staff. The CAF was a tool to support teachers and make them feel that they belonged to the school community. The institute began with ISO models and then moved toward the CAF community. The aim was “to motivate 1,000 students through motivated teachers.”

The school now has strong teamwork, cohesion, and collaboration as well as individual commitment backed up by leadership invoking a sense of ownership. Positive results were achieved as shown by performance data before and after the CAF was adopted. For example, key performance indicators (KPIs) improved, with variations in student results from teacher to teacher reduced significantly after 82% of teachers began cooperating in course planning exercises. Students, their families, and school staff expressed greater satisfaction, and inclusiveness levels rose. Teacher feedback indicated that the variance (gap) between perception and performance scores was reduced from 12/13 to 13/14. Most people in the school now say “I care” about the success of students. Other improvements included the involvement of staff in teamwork for the self-assessment and improvement plans after being made to feel part of the school community and a focus on self-measurement of teachers’ performance using data.

The CAF provided a systematic framework for teachers and students and helped the staff to become more aligned with the school mission. Areas for improvement were more easily identified since everyone was involved in the self-assessment exercise. The self-assessment showed that there was a lack of cooperation among some teachers, even in the same department and team, which was improved. Staff are now driven by goals instead of waiting for managers to tell them what to do. Through the self-assessment, they were able to raise their own consciousness and deepen their understanding of the need to improve.

Key lessons learned by delegates from this case study were that:

- The CAF is a strategy to learn together, plan together, and empower.
- Assessment is more important than the score.
- Staff must be trained.
- Stakeholder engagement is critical to the success of CAF adoption.
- Involve and empower staff in the self-assessment group and improvement process through co-design.
- Assess trends in your own KPIs.
- Communicate regularly with staff throughout the CAF implementation process.
- Evaluate the benefits.
- Make improvement plans to achieve results.
- Leaders need to motivate staff process owners to take responsibility for improvement initiatives.

- Leadership plays an important role in instilling a culture of improvement and inculcating a sense of responsibility for a process.
- Leaders are responsible for the entire improvement plan with staff given ownership of specific sections of the plan.
- Staff satisfaction must be monitored.
- The key word is “communicate,” e.g., communicate the purpose of the CAF to stakeholders for quality improvement.
- Sustainability will only occur if the improvement model is established and accepted by all. Even if a change of leadership occurs, it will be easy to continue implementation.

### **Belgium Federal Public Service Finance**

Belgium Federal Public Service Finance developed a successful, comprehensive, innovative leadership development program that changed its culture and results. It used task forces, integration, group discussions among leaders, 360-degree feedback for development (which is not allowed under the law for performance appraisals), and learning networks to maintain and share knowledge. Belgium Federal Public Service Finance aims to differentiate the training offered as much as possible, not only for target groups such as recently recruited team leaders, middle management, senior/top management, and potential leaders, but also in the use of innovative learning methods such as learning networks, workshops, e-learning, roadshows, and local events.

Key success factors in CAF adoption included listening to stakeholders and then “walking the talk.” Previously, middle managers did not think that leadership was part of their technical role, but the organization invested significant time in internal discussions and in consultations with external experts. After middle managers visited every city with Belgium Federal Public Service Finance offices, they were able to speak with one voice in communicating the new direction. The driver of this change came from outside and did not adapt to the culture of the organization; instead the culture adapted to the imported change agent. The change program took the slogan “You should be afraid of us.”

This case study also showed that the change agent role is more important than the other two managerial roles of leader and coach. The four-level Kirkpatrick model for evaluating training effectiveness can be resource intensive, and therefore some organizations only use it in areas of core competency. The experience of Belgium Federal Public Service Finance taught that there is a need for specific target group-oriented programs and integration of human resources tools. Originally, the organization invested in leadership training but neglected technical development training. This led to the feeling among technical employees that “the human resources department has forgotten us.” Finally, before CAF adoption, a manager was a person on a pedestal to be looked up to but now Belgium Federal Public Service Finance has a co-creative culture based on knowing the business, ownership, feedback, and trust.

### **Air Navigation Administration of Luxembourg**

A strategic planning approach supplemented by CAF assessment was used by the Air Navigation Administration of Luxembourg to drive change. It underwent a change process with the CAF as an enabler of intraorganizational collaboration.

Although “there are many books and clever people available,” the Air Navigation Administration needed to implement its own plan using an ISO standard and the CAF for

self-assessment. The assessment showed that 12 actions needed to be taken. Taking the first nine actions has taken nine years so far. The administration found that it was necessary first to understand its situation using self-assessment, keeping in mind the fact that it is not possible to have a clear view of the future but it is possible to plan ahead with specific aims.

A crucial element in CAF adoption was determining how to motivate the Air Navigation Administration staff to change. Its people are not simply technical experts but also must be able to deal with people and stakeholders and understand the appropriate balance between safety and economics. They also needed to realize the consequences of poor service and the impacts of what they do on others. The Air Navigation Administration found that uncertainty and dealing with a myriad of stakeholder demands could serve as triggers for innovation.

### **The City of Mannheim**

The mayor of Mannheim undertook a top-down change program for staff, with the vision of becoming one of the most modern local administrations in Germany. The city had to become more flexible to cope with change, one of which was an expected influx of up to 30,000 refugees. The city administration took advantage of a strategic steering model accompanied by KPIs and targets, aligned with management targets and budget. This was applied from the top of the organization and involved central stakeholders, e.g., the municipal council and staff council.

Clear, concise communication and full participation were vital as many technical staff work within the city administration. A simple mission statement, "Achieving more together," rallied staff around the change program, coupled with a binding staff agreement. The focus was on organizational culture and leadership rather than cost-cutting. Another key factor that needed to be addressed was cooperation among city departments. Key elements in the change process included:

- Service logic for citizens and a political mission to shape urban society;
- Leadership from the top (mayor);
- Involvement of stakeholders;
- Executives as a core function;
- Communication with and participation of staff;
- A binding agreement with the staff council;
- Sufficient resources to support change;
- Meaningful vision and clear mission statement;
- A program with measurable targets;
- Showcasing of success stories; and
- Cultural change requiring time (which is not always available).

### **4. SUMMARY OF KEY BENEFITS AND LEARNING POINTS BY STUDY MISSION DELEGATES**

The key benefits of the study mission for delegates were:

- Learning about best practices;
- Networking formally and informally with new contacts from other learning organizations;
- Comprehensive study mission manual for all delegates;

- Receiving “memory-jogger notes” of the proceedings;
- Delegate and speaker contact list provided;
- Learning about “what we need to know” as well as about what we “didn’t know we needed to know”;
- Action planning session to help in implementing the learning points;
- Access to the 8QC; and
- Interactions with other international delegates at the 8QC.

### Feedback from Delegates

Delegates rated their experiences during the study mission very highly and all who responded stated that they would recommend a similar mission to others (Figure 3). The overall rating by delegates was 96% of the maximum possible score. Some delegates wanted to rate it higher than the maximum as “excellent.”

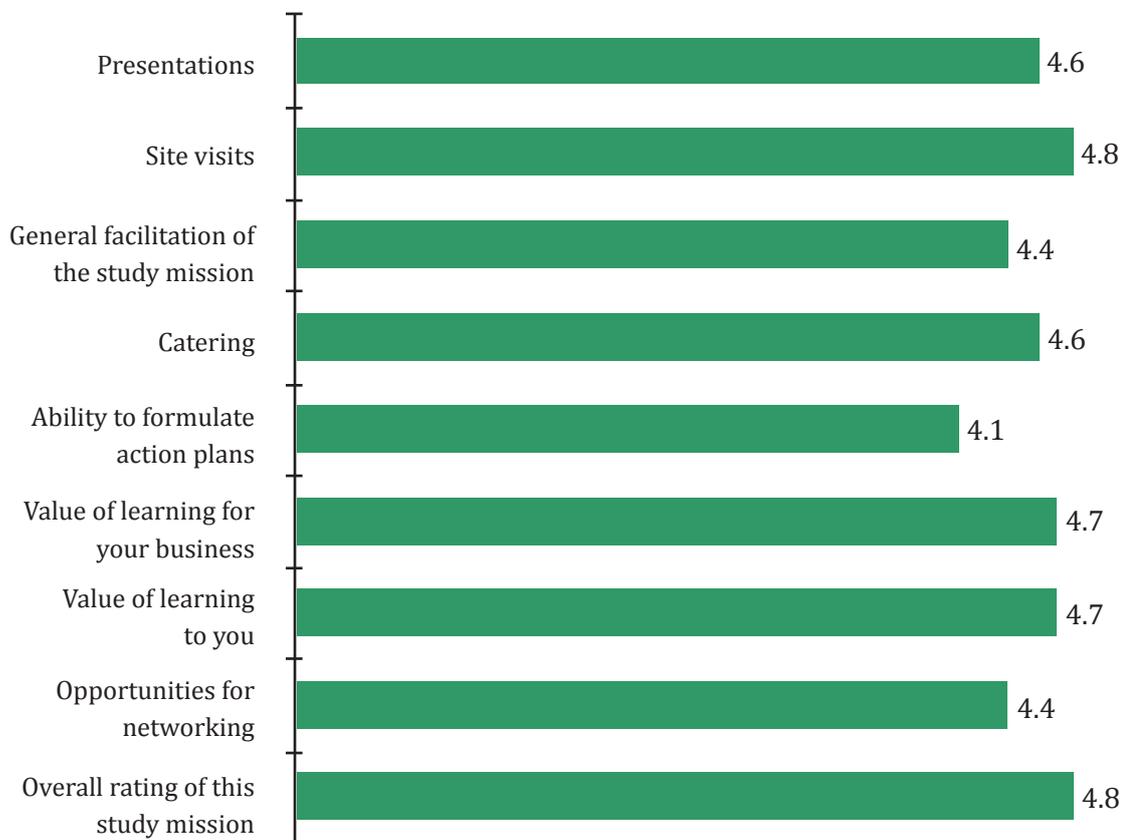


Figure 3. Delegate feedback on the study mission.  
Source: Authors.

### Key Learning Points by Delegates

The learning points shared during group discussions and the action plans for each delegate’s organization are incorporated in this report, along with insights and notes of the facilitators backed up by their own in-depth experience in BE, self-assessments, evaluations, best practice exposure, and benchmarking. The main learning points are summarized below.

Most challenges facing the European public sector are similar to those faced in other countries. The mode of governance is shifting to a more consultative approach. There is an opportunity for global benchmarking (“benchlearning”). The CAF instrument and assessment can be widely used for improvement planning, implementation, and monitoring to improve productivity and quality in the public sector. Delegates understood that the CAF is a self-assessment tool for public-sector organizations that can be customized to improve performance for the benefit of the wider community and its citizens. The nine CAF criteria each have subcriteria. Self-assessment is undertaken at senior manager, supervisor, and staff levels.

Some countries use self-assessment to supplement/prepare for less frequent external BE Award evaluations. Support organizations like the EIPA and CAF Resource Centre help develop the methodology and capability to sustain productivity gains. The CAF is sufficiently flexible to be deployed in different ways by different users, which is one of its key strengths. Another key strength is the focus on actual KPI results (and trends) of organizations. Although organizations may hold certification (for two years) for the correct use of the CAF instrument, they deliberately avoid awards. Finally, CAF use has shown proven benefits and results.

The study mission case studies presented provided insights on how the CAF tool is being implemented by organizations. The City of Mannheim used the CAF as a pilot project in two areas. This was a top-down approach from a visionary mayor who wanted to change the way the citizens are served. The CAF was combined with common improvement processes and tools. The Italian vocational school successfully deployed the CAF with a bottom-up approach in which employees were included so that student results improved. The Luxembourg Air Navigation Administration used the CAF and a strategic planning approach for significant improvement. These CAF case studies and those presented at the 8QC Conference showed the importance of outcomes and results in any initiative.

In addition, the following were cited by delegates as important learning points:

- The Human Resources Department has a role in making the public sector better. The Belgian Public Service Finance human resources team experienced some resistance from the unions but was still able to rationalize staff levels to improve service delivery.
- Listen to employees and the voice of the customer.
- It was shown how to adapt learning (with changes) rather than adopt (from the study mission facilitators).
- Internalized changes lead to benefits for citizens and the community.
- Change management is a key factor to ensure that the public sector improves its performance.
- Performance management and project management are important to ensure that outcomes are being achieved.
- The use of structured case study descriptions, especially of inspiring cases, is beneficial (from the study mission facilitators).
- Modern approaches should be used to improve productivity in the public sector and enhance the quality of public administration as well as leadership development, e.g., performance management, use of social media to improve customer service (8QC), and use of ICT to improve police service (8QC).
- Toolkits can be developed for public administration, e.g., as done by the OECD [3].
- Design thinking could be explored further in organizations to understand citizens’ needs/behavior and therefore improve service delivery.
- The emphasis should be on communication throughout public administration, particularly in managing self-assessment, improvement, and change.



*Study mission delegates learning from Patrick Staes of the EIPA during a break from formal proceedings.*

- Quality messages for the public sector plus human resources management/ leadership models and their applications require a general review of human resources strategies. Engage with staff more and encourage them to listen more to how improvements could be made.

In general, throughout the study mission the delegates noted the following points multiple times:

- There is a need to accept change and continuously add value to what you do on a daily basis.
- The involvement of the community at all levels, political/policy, executive, and operational, is important for successful implementation of change.
- Listening to stakeholders and customers to determine the future direction of your business (vision and mission) is vital.
- It is necessary to recruit good people and staff who think the same way you do. Nurture their talents, work with them, recognize their contributions, and celebrate their successes.
- Create a culture of excellence and productivity and welcome innovative thinking from young minds who are interested in modernizing the service and delivery process and systems.
- Support leadership in driving activities and changes.
- Take ownership of the leadership and strategy planning components of the CAF model and cross-check/self-assess against the organization.
- Involve and engage all staff in improvement processes and show the results and benefits.
- Document all success stories, create awareness, and market the organization to ensure that it is visible.
- Carry out self-reflection and strategize to apply better approaches in the future. Conduct benchmarking internally and against other organizations.
- Reward and recognize people for improvement.

There was a strong call for the public sector in Europe to stay ahead through benchlearning from countries like Canada, the UK, and Australia. The authors of this report were recognized as being able to facilitate successful benchlearning. There is also an opportunity for internal benchlearning among public administrations in Europe based on the sharing of strengths identified through self-assessment in a model like the CAF.

## **5. EUROPEAN PUBLIC-SECTOR INITIATIVES: EVOLUTION AND RECENT TRENDS AND TOPICS AT THE 8QC**

### **Recent Trends**

Issues faced by the public sector in Europe were summarized well by Kurt Van Raemdonck in describing leadership development in the Federal Public Service Finance of Belgium. Apart from the need to focus on citizen- and company-oriented services, four other challenges have also had an impact on the decision to prioritize leadership development:

- An aging workforce and a massive retirement wave (1,200 retirements each year), combined with ever more complex legislation and regulations, demand executives who encourage knowledge sharing and communication among employees and actively take part in current initiatives such as knowledge storage, succession planning, determining critical functions, internal training of trainers, etc.
- The ongoing “war for talent” and the challenge of attracting and retaining the right people make it critical for executives to create a positive workplace, ensure open communication, and build a teamwork-oriented attitude among employees.
- The current modernization drive, including the shift to a target group-oriented organizational structure, the implementation of 24/7 custom shift work in ports and airports, the reform of mortgage registries, and the greater focus on workload measurements and quality control, has led to new processes, working methods, and redeployment of employees. In this context, executives are given the responsibility and autonomy to become reliable change agents and to make the case for “disruptive thinking” leading to innovation. To reinforce executives’ involvement, Federal Public Service Finance also initiated some regulatory amendments so that decisions could be taken at a lower hierarchical level. In each general administration and in each staff service, it installed a management committee that works as a sub-Managing Board. Regional directors have also been given more responsibilities. Due to the introduction of self-service tools, e.g., for applications for leave, part of the human resources responsibilities have been given to employees and thus to executives.
- To cut down expenses, some offices must be closed (e.g., Federal Public Service Finance had 183 offices in 116 towns by the end of 2015, compared with 456 offices in 196 towns in 2010, and the number of employees will continue to decrease by 12% in three years). Consequently, executives need to create a positive working atmosphere and motivate employees to do more and better with fewer resources, despite all these changes that logically affect employee motivation.

In pursuit of customer-service excellence and higher employee satisfaction, Federal Public Service Finance introduced a new leadership model in 2011. According to this innovative model, each executive must fulfill three equally important roles: as a leader managing, setting goals, providing resources, analysing risks, etc.; as a coach listening, giving feedback, developing employees, encouraging knowledge sharing, etc.; and as a change agent explaining the need for change, creating a sense of urgency, stimulating innovation, actively involving employees in new methods and processes, setting a good example, etc.

Recently, the quality of public administration has been underlined once more as important for economic competitiveness and societal well-being by EU Commission President Juncker. In 2014, 20 EU member states received country-specific recommendations dealing with the topic of (modernizing) public administration. The strengthening of institutional capacity and the efficiency of public administrations and services at national, regional, and local levels are key priorities in the EU [1].

As stated by Pollitt and Bouckaert [4], “Public administration reform is usually thought of as a means to an end, not an end in itself. To be more precise, we should perhaps say that it is potentially a means to multiple ends. These include making savings in public expenditure, improving the quality of public services, making the operations of government more efficient, and increasing the chances that the policies will be effective. On the way

to achieving these important objectives, public management reform may also serve a number of intermediate ends, including those of strengthening the control of politicians over the bureaucracy, freeing public officials from bureaucratic constraints that inhibit their opportunities to manage, and enhancing the government's accountability to the legislature and the citizenry for its policies and programmes."

## **The 8QC**

The 8QC was organized under the Presidency of the Grand Duchy of Luxembourg in cooperation with EUPAN members and the EIPA. It took place on 1 and 2 October 2015 in Esch-Belval, which was previously Luxembourg's biggest steelworks and has been converted into a modern research district. The main theme was Strengthening the Capacity of Public Administration in Tackling Current and Future Challenges—Public Administration as Part of the Solution.

During the 11 parallel sessions and 31 in-depth working sessions, speakers from 26 countries had the opportunity to share their experience, views, and best practices on five main topics: 1) Public administration in the cycle of policy design, implementation, and evaluation; 2) Strategic thinking in a future-oriented and innovative public administration; 3) Strengthening professionalism in building an innovative public administration; 4) Innovative service provisions through stakeholders and citizen-user involvement; and 5) Enhancing societally responsible public administration. Nearly 300 participants from all over Europe attended the 8QC. A live broadcast on the EUPAN website of the six keynote sessions made it possible to reach an even larger audience.

During the 8QC, counterparts from EUPAN/EIPA stressed the importance of quality management in the public sector "as a condition *sine qua non* for wealthy, healthy, fair, and resilient societies." A key priority of the EU is to strengthen the institutional capacity and efficiency of public administrations and public services all levels. Public administrations across Europe are, more than ever before, being challenged by society to demonstrate and improve added value to sustain and develop the social welfare state. In these times of socioeconomic crisis and austerity, the policy effectiveness, operational performance, and quality of public services are crucial factors in responding to the changing needs and expectations of citizens and enterprises.

Some EU states are in the midst of crises and/or facing serious social, economic, and political challenges. One recent trend in Europe, as brought up during the 8QC, is the changing perspective on the role of the public sector in times of crisis. The key message of the conference stressed how public-sector organizations can become part of the solution (and not the problem) and be able to strengthen their innovative capacity to address current and emerging challenges "for sustainability, social cohesion, economic growth, and labor market" of EU member states. As mentioned by Minister for the Civil Service and Administrative Reform Dan Kersch of the Grand Duchy of Luxembourg, the various ministers responsible for public administration in EU members during their meeting in Rome in December 2014 agreed that: "Key challenges for public-sector modernization include ways to ensure implementation through innovation and the development of new capabilities as well as effectiveness through evidence-based policy decisions." The issues of public trust and transparency, together with strategic management and innovation capacity, have become more prominent and higher on the agenda of public administrations in the EU. For example, this has also prompted, as in the case of Luxembourg and other EU members, a look at emerging practices and challenges in human resources management

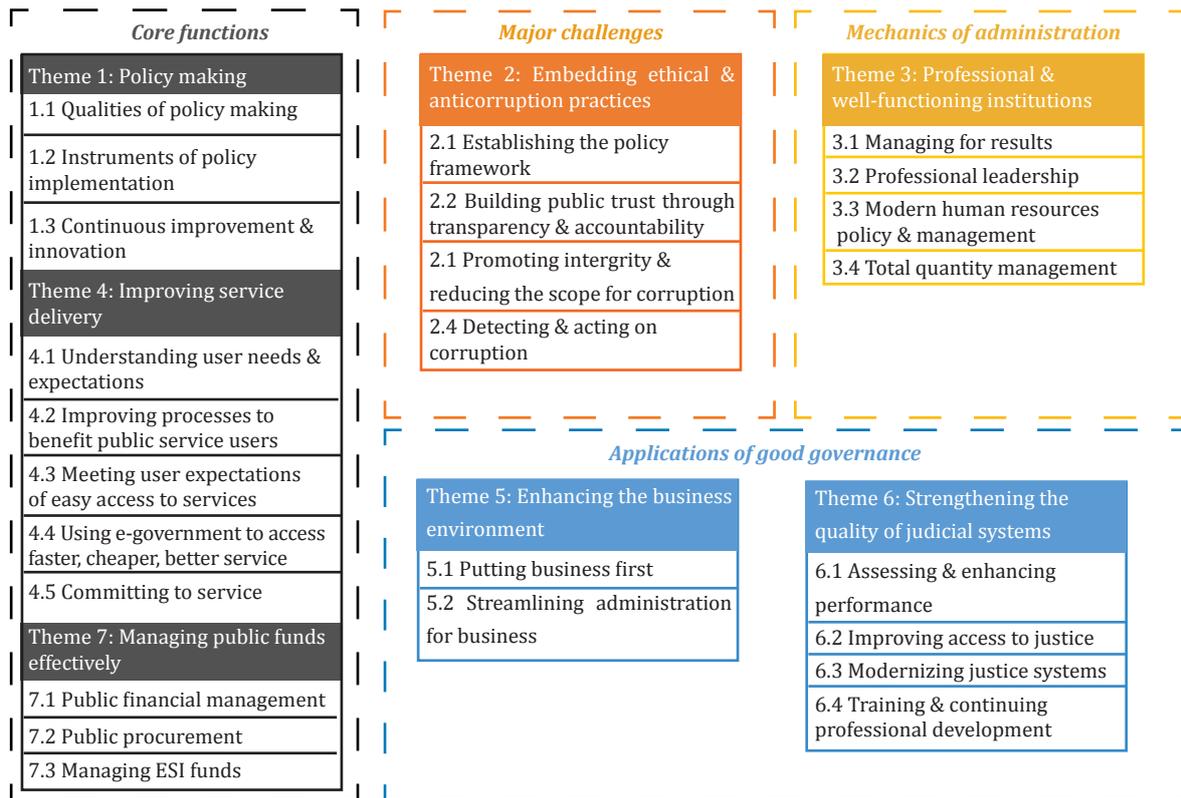


Figure 4. OECD toolkit overview by theme and topic. Reproduced, with permission, from [3].

and public service delivery to the extent that these can stimulate further innovation and open government practices [2].

Stephen Jacobzone of the OECD, in his presentation at the 8QC, noted that the world was changing and governments needed to look at the private sector for best practices. They also should define which issues countries were struggling with. Areas identified included healthcare reform, youth unemployment, technology (open data), and citizens’ demands. Each day government organizations are being asked to deliver “more for less” without the possibility of new funding. There are also challenges to the internal working of governments such as “policy silos” and fragmented institutions, the need to transform information into actionable evidence, coherent strategies connected to implementation, and providing results with expert evaluations.

A recently developed OECD toolkit (Figure 4) covers talking to leaders, engaging practitioners, strengthening evidence of what works, establishing the role of advisers, and managing risk and behavior [3]. The context for implementation must consider timing, fit with priorities, downsides and risk, impact, benefits, creating innovative solutions, and looking for alternatives to regulations. Behavioral approaches should also be considered. This approach also highlights the opportunity for public-sector organizations to “take the higher ground,” focus on systems, and become people-centric.

There is a need to engage with citizens, use evidence-based decision making, coordinate knowledge produced by different institutions, and be guided by costs, not available budgets. There has been a growth in crowd sourcing to gather facts, views, and opinions and a realization that a pool of expertise exists within the public. There is also a role for new

media channels and open data in providing benchmarks. Public administrations are advised to look at others to see what works. In the UK, new evidence is being used continually, and stock is taken of robust evidence. Increased productivity is being achieved by focusing resources. An example of this in the health industry is the National Institute for Health and Care Excellence. Other areas where this approach is being applied include education, crime reduction, better aging, and local economic growth.

Impact assessments should be undertaken to measure the effect of policy interventions. Tools should be used to determine what actually works, underpinned by strong empirical evidence. Mapping should be undertaken by national institutions to establish the broad picture. More training is required for civil servants, and greater use should be made of meta-reviews. There is a need for impact assessments, the sharing of evidence, and collective funding for examining new ideas. Advice should be taken from countries that have already experienced a specific situation, as was the case when experience gained by the Australian Productivity Commission led to the setting up of the New Zealand Productivity Commission.

Public administrations have been facing these challenges for many years. Numerous efforts have been made to implement new techniques and methods to improve the efficiency, effectiveness, and economic and social responsibility of public-sector organizations. Different approaches were attempted in all types of public organizations at the European, national, federal, regional, and local levels. Many were successful; others failed, sometimes due to the lack of coherency and sustainability.

The 8QC was held at a time of budgetary constraints. However, the public sector has worldwide influence. Under the theme “Putting the Citizen First,” public administrations were seen as part of the solution. There was a need for innovative approaches, noted Minister of the Civil Service and Administrative Reform of Luxembourg Dan Kersch in the opening keynote address. Under the Luxembourg Presidency, the specific issues of trust and transparency, together with strategic management and innovation capacity, were being investigated in detail. A general prospective study was being performed with the aim of drawing an outline of the emerging practices and challenges in human resources, management, and public service delivery, which may enhance innovation and open government practices. There was also a “red tape” initiative involving not only ministries but other players as well. Coincidentally, a new law on public-sector reform was entering into force in Luxembourg on 1 October 2015. Among other aspects, this reform was designed to strengthen strategic management, leadership, and innovation capacities within the Luxembourg Public Administration.

### *Wisdom of Quality*

At the 8QC, Professor Y. Emery revisited the “wisdom of quality” as espoused by movement pioneers and tailored these messages for the public sector in the 21st century [5]. Key messages were sourced from the original quality gurus and are summarized below (authors’ additions in italics), including:

- The customer/citizen is paramount (quality is defined by the customer/customer perception is reality).
- Do the right things right the first time, since the main purpose of process improvement is to iron out the cost of defects.
- Failure is the “seed of success” (the paradigm of failure is not a loss but an opportunity).

- Distinguish between “content quality” and “quality of service” (the value of quality and the quality experienced).
- People need to know what to do in their backyard, not outside it.
- Find common purposes and objectives to foster cooperation among hierarchical silos.
- Combine work standards with intelligent instrumental and transformational leadership, e.g., translate strategic aims into concrete implementation steps, inspire and develop employees to do their best, unveil their talents, and recognize that the greatest objectives are the ongoing processes of improvement.
- In measurement, it is not about what you find, it is about what you do about it.
- Preventing problems (co-design with citizens) is the key to creating public value.
- Knowledge capturing, creating, and sharing are keys to survival. Therefore, share knowledge across boundaries through benchlearning.
- Trust and support let the talents of every employee blossom. Continuous learning is key.
- Learning is compulsory; survival is no longer guaranteed for public-sector organizations.
- Innovation through co-design with employees and stakeholders will aid survival by adding value.
- Wisdom is abstract, and we need to open the bag, not close it.

### *Co-creation*

A common theme at the 8QC was co-creation/co-design. Some problems appear insurmountable, e.g., the refugee crisis in Europe, but through co-design with citizens, stakeholders, and employees under strong leadership, they can be effectively tackled. The definition of quality as espoused by the EIPA could include:

- Good culture;
- Strong leadership;
- Agreed strategies;
- Good customer service;
- Employee satisfaction;
- Performance management and reporting;
- Stakeholder management (authorities, citizens, partners, staff);
- Social responsibility including dealing with human rights, protection of minorities, and reputation; and
- Focus on the PDCA cycle.

## **6. THE EIPA**

The EIPA is the COE on public administration for EU members. It is the leading agency on European integration and the new challenges for public management. It was created in 1981 on the occasion of the first European Council held in Maastricht. The Board of Governors is composed of representatives of EU member states. The EIPA is self-sustaining, partly financed by the EU Commission and its member states. There are more than 150 employees from some 20 different countries.

The EIPA emphasizes quality in government, based on a correlation between quality and good economic and social outcomes. The EIPA:

- Tracks good governance indicators;
- Invests in capacity building;
- Strengthens good governance and inclusiveness;
- Supports total quality management as a tool to keep public organizations focused and able to deal with customer needs in a holistic approach;
- Aims to enable public organizations to increase efficiency and manage performance;
- Provides toolkits for capacity building through the single CAF that is regularly reviewed based on feedback from users, although it is now aiming for stability until 2020;
- Seeks innovative improvement, not just changes in looks, to have an impact on society beyond the core business of a public organization; and
- Takes a “support” approach rather than an “audit” approach.

## 7. THE CAF

In May 2000, the CAF was launched as the first European quality management instrument specifically tailored for and developed by the public sector itself [6]. It is a general, simple, accessible, easy-to-use model for all public-sector organizations throughout Europe and deals with all aspects of organizational excellence.

More than 4,000 public organizations in Europe have registered to use the CAF model since its launch, and thousands more within and outside Europe use it for their own specific development purposes. To respond to their expectations and to align the model with developments and evolution in society and public management, the CAF was revised twice, in 2002 and 2006. After six years of working experience with the 2006 version, the model was fine-tuned again in 2013, based on the feedback received from 4,000 CAF users and National CAF Correspondents (Figure 5).

The CAF is the first European quality/excellence management instrument specifically tailored for and developed by the public sector. The CAF initiative is supported by the European CAF Resource Centre, based at the EIPA in Maastricht, The Netherlands, in close collaboration with EU member states. The CAF is a managerial tool for continuous

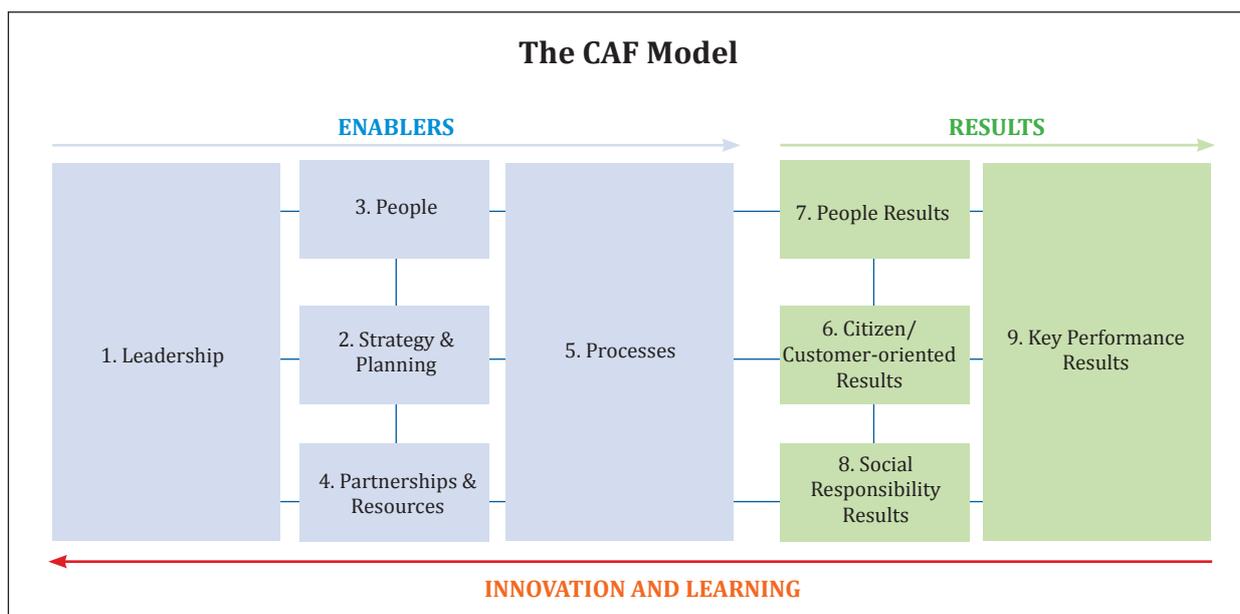


Figure 5. The CAF model. Reproduced, with permission, from [6].

improvement in the public sector, aiming to achieve the goals of quality set by the EIPA. The CAF framework has nine criteria as well as subcriteria specifically established for the public sector. It is holistic, i.e., categories cannot be viewed in isolation from one another.

The CAF dynamic is used/recommended by the European Council, Parliament, Commission, and their institutions/agencies; international organizations like the OECD, World Bank, and UN; and public-sector organizations beyond European borders (Africa, Latin America, Russia, Asia). CAF users are a voluntary network for benchlearning, as the EU does not prescribe how different members should operate their public sectors.

### **Key Points of the CAF**

The following are basic points of the CAF:

- The CAF is a self-assessment tool for public-sector organizations that can be customized to improve performance for the benefit of the wider community and its citizens.
- The focus is on nine criteria that each have subcriteria.
- Self-assessment is done at senior manager, supervisor, and staff levels.
- The relationships between officials and ministers is a key feature explored by the CAF.
- The CAF is tailored to the public sector, yet sufficiently similar to other generic frameworks like the Baldrige criteria and EFQM of Australia to enable benchmarking.
- Some countries use self-assessment to supplement/prepare for less frequent external BE Award evaluations.
- Support organizations like the EIPA and CAF Resource Centre have been established to develop the methodology and capability and to sustain gains.
- The CAF is flexible and can be deployed in different ways by different users, which is one of its strengths.
- Another strength is a focus on actual KPI results. There are not many KPIs in the CAF itself, although assessment is linked to the KPIs of the organization.
- Organizations visited may hold certification (for two years) in the correct use of the CAF instrument but have deliberately avoided awards.
- CAF use has shown proven benefits and results.
- Those wanting to adopt the CAF system must be honest for self-improvement to occur.
- Training is provided for internal resource persons by the CAF Resource Centre.
- The aim is to stimulate accountability and leadership in the public sector.
- The emphasis is on doing the right things in the right way to satisfy customer requirements and add value.
- The model is only a tool related to outputs and outcomes.
- Principles underpin the essence of the CAF model.
- The PDCA cycle is relied upon.
- The CAF is deployed through a structured process, initially via training offered by the CAF Resource Centre, and through top-level leadership support, or bottom up via dedicated advocates within the organization.
- Regular revision of the CAF is based on user feedback. It was last revised in 2013, and no more change is foreseen for several years.
- The CAF concentrates leaders' minds on continuous improvement.

### **Some Challenges for the CAF**

Although the use of the CAF is becoming more widespread, some issues must still be resolved. For example, not all EU members use the model, and the majority of public administrations

have yet to adopt it. A sectoral approach had to be devised, but is not viewed as the way forward. Originally the model asked users to disclose the scoring results of the self-assessment exercise, but most did not want to share them. Currently, they now simply state whether they are taking advantage of the CAF. An additional point is that the scoring system is not sufficiently robust for benchmark comparisons. While many wanted to designate CAF “police,” this is against EU policy. It is also difficult to understand the conflicting needs of governments at various levels. Awards are not involved in the system, and certification must be renewed every two years, which requires time and other resources. Finally, the lack of political commitment of some EU members to the CAF can compound the issue of budget constraints on the CAF Resource Centre.

### **CAF Resource Centre**

The CAF Resource Centre is located within the EIPA and provides support to the public sector across the EU for improvement (quality of governance) in implementing the CAF. It employs only four people and is self-funded and independent. The main roles of the CAF Resource Centre are to:

- Work with countries, especially new adopters, to help them with good governance;
- Provide advice on customer satisfaction management;
- Create toolkits;
- Examine capacity partners, civil society, NGOs, agencies, etc. affecting the political environment of public administration;
- Build capacity for deploying the CAF, with training funded by the EU in specific areas;
- Achieve good governance and increase competitiveness;
- Conduct research, training, seminars, consultancy, and database development, as well as serve as the President/Secretariat of European CAF meetings;
- Define strategy in close cooperation with the European Network of National CAF correspondents, the de facto owners of the CAF model;
- Generate self-funding;
- Confirm returns on investment to customers and the EIPA and perform surveys of member states on their needs;
- Create a CAF community including biennial conferences; and
- Promote the CAF and create awareness.

The CAF Resource Centre is perceived as performing well and is a respected body within the EU. After building up credibility, members states come to it freely for advisory services. Close relations have been established with key individuals from EU members as the center monitors CAF implementation throughout the EU. Put simply, users are inspired by the CAF Resource Centre.

## **8. KEY LEARNING POINTS ON THE CAF BY STUDY MISSION DELEGATES**

Study mission delegates singled out the following as key learning points on the CAF.

- The CAF is a useful, pragmatic, practical instrument to focus organizations on continuous improvement.
- Its holistic framework covers all aspects of public administration.
- The instrument encourages individuals to ask what to do; it does not show how to do it.

- The CAF correlates with BE models worldwide.
- When used correctly, the CAF results in better service delivery and results (see the case study of the Italian school);
- Many years were required to reach the current level of acceptance.
- The CAF now enjoys political leadership support.
- It follows a well-structured process.
- Utilization of the CAF allows management system frameworks to be aligned with the objectives of the public sector, e.g., relationships between the leaders of public administrations and politicians.
- The same framework can be applied to different sectors. Although no awards are given, certified users are permitted to display the CAF logo.
- The focus is on customers and social responsibility.
- The ease of deployment within an organization depends on political and leadership commitment.
- When there is a need to deploy resources within an organization, the CAF encourages questions about value justification.
- Self-assessment and voluntary use are emphasized.
- The CAF criteria are interconnected.
- It can be used as a mirror to reflect results.
- Organizations were initially interested in the self-assessment scores but realized this was not the right approach. In addition, the scores are not statistically valid and should be used as a method to identify practices.
- CAF use requires a joint effort by managers and employees.
- Knowledge is already available in the organization. The CAF helps to gain an overview of processes.
- Honesty and trust are critical.
- Diagnosis by self-assessment and identifying actions for improvement actions can be done at the organization's own pace.
- The use of precise language is important.
- The CAF is a classical, simple tool.
- Horizontal and vertical strategies can be devised.
- A single framework can be used throughout Europe if it is well designed and regularly reviewed.
- All types of organizations in the public sector can implement the framework.

### **How Could the CAF Evolve?**

In looking toward the future, the CAF could evolve by creating a database of best practices by sector in consultation with users. Another new concept would be to promote structured, in-depth benchlearning to share best practices (similar to the study mission) or develop communities of practice in regional or local areas.

According to the authors' evaluations of the CAF, some pros and cons are listed in Table 1.

## **9. CONCLUSIONS AND RECOMMENDATIONS TO THE APO**

Overall, the First Public Sector Performance Study Mission in Europe was a successful learning and knowledge transfer experience for the delegates. The APO member countries attending, the APO Secretariat, and the APO COE on PSP gained considerable firsthand knowledge, backed up by practical case studies, of how PSP, quality, and service have been improved in Europe. This knowledge could be transferred and/or adapted to APO members.

Table 1. Pros and cons of the CAF.

Pros	Comment on Pros	Cons	Comment on Cons
Free	This should encourage use but may lead to a perception of lower value	Strong leadership	
Practical		Must be tailored	
Tailored indicators		Buy-in required	
Assessment, not audit		May not be seen as powerful enough	
Certification, not award		Some organizations want awards	
Proven results		Sustainability	
Linked to KPIs		KPIs need development	
Top down or bottom up		Change management	
Support from CAF Resource Centre	CAF Resource Centre promotes the use of the CAF	Support consistency, e.g., Germany vs Belgium	
Best practice sharing		Not all countries adopt it	
Solid construction		Community of practice	
Binary scoring		Voluntary, not compulsory	
Emphasis on identification of strengths and gaps rather than statistically valid scoring	This provides an emphasis on improvement rather than scores for the sake of scores and the opportunity for benchlearning among organizations	Emphasis on identification of strengths and gaps rather than statistically valid scoring	Scores are not benchmarkable from one organization to another; managers like to see valid scores and trends
Voluntary	This helps build buy-in, ownership, and sustainability	Resources limited	
Assessment strongly linked to improvement via PDCA		Organizations need an improvement process	

Source: Authors' compilation.

The main areas in which knowledge was provided included:

- Recent trends in enhancing PSP and performance in Europe;
- Best practices of PSP and performance in Europe and recommendations for the APO on improving PSP performance in the region;
- Enhancing sustainability and innovation;
- Public service quality enhancement;
- PSP enhancement approaches;
- Differences in small versus large public service organizations; and
- Future directions for the public sector in the EU.

The study mission participants learned about the strong emphasis being placed by the EU on public-sector improvements and the way the CAF framework for public-sector excellence is designed, promoted, and used for voluntary self-assessment. They also observed how the users of the CAF are well supported, why the framework is so well accepted due to its flexibility, and how it reflects the user organizations' own KPI results. The importance of strong leadership, change management, people and citizen engagement, and co-creation was also communicated during the study mission.

### **Recommendations to the APO**

The following are recommendations to the APO from the authors of this report.

**Public-sector Performance.** The APO could consider championing public-sector performance improvement modelled on the European approach, which focuses on governance and interagency/international cooperation, e.g., the EU, its committees, EIPA, etc., as well as problem diagnosis, prioritization, and provision of initiatives and tools to help the public sector to help itself on a voluntary basis. This approach would include regular forums, meetings, and conferences; consultancy support; training; and monitoring, evaluation, case studies, and sharing of findings.

**APO COE on PSP.** Use the insights and learning from the study mission to refine the concepts and components of the COE on PSP.

**Sharing of Knowledge from the Study Mission.** As a way of emphasizing the direction of PSP improvement, the APO could consider conducting a workshop on the European experience including presentations on the findings of the study mission by the authors of this report and delegates who attended. All NPOs should receive a copy of this report in the meantime.

**Adaptation Rather than Adoption.** The delegates of the study mission noted that the learning points from a different culture or experience need to be adapted to their situations, taking into account their own initiatives on PSP.

**Public-sector BE Framework.** The APO should consider developing a public-sector BE framework similar to the European CAF along with a self-assessment methodology and action planning advice to assist in improving the public sector in the Asia-Pacific region.

**The Public Sector Is Part of the Solution.** If it has not been done already, it is recommended that the APO identify and prioritize current issues facing its members (including those related to current mega-trends) and further emphasize that the public sector is part of the solution with appropriately targeted capacity building.

**Maximizing Outcomes from APO Funding.** The APO (like the EU) could consider insisting on enhancing the quality (governance) of the public sector to maximize returns from its NPO improvement funding mechanisms via the DAP or otherwise. For example, although the CAF in Europe primarily focuses on the evaluation of performance management and the identification of its organizational causes to make improvement possible, the ultimate goal is to contribute to good governance.

**Quality Toolkit.** The APO could identify current key quality issues within or influenced by the public sector, e.g., red tape for SMEs, and produce a toolkit, training course(s), and conversations to help the public sector to improve, as has been done in the EU. The toolkit could be based on those developed by the authors of this report. The first question to be answered would be: What are the principles and values of good governance among APO member countries?

**Collaboration.** The APO should consider collaborative planning (engaging employees and citizens) as part of its public-sector tools. This could include the design concepts developed by the Danish Design Centre [7], collaborative planning methodologies and tools that have been used by the authors of this report, and the electronic design table that was shown at the 8QC.

**Citizen and Employee Satisfaction.** The APO should consider exploring the development of citizen and related employee satisfaction measurement tools and train trainers in their use, drawing from the European experience and the extensive experience of the authors of this report (e.g., training of trainers in customer-centricity and customer service standards and evaluations). The training measurement should cover: perceptions/insight, i.e., what citizens and employees really think, not what public administrators think they think; benchmarking among participating organizations; best practices for sharing of knowledge; and gap closure tools like the quality toolkit, collaboration, and study missions (see below).

**Public-sector Conferences.** Regular workshops and a Public-sector Performance Conference modelled on the biannual conferences hosted by the revolving EU presidencies would be a good way of bringing practitioners together and sharing best practices and ideas. The authors of this report have contacts to assist in the planning, facilitation, and invitation of international speakers to such an APO conference.

**Importance of Good Communication.** An often overlooked management technique is good communication. The need for excellent internal communications was emphasized in many of the successful case studies presented to the study mission. It is recommended that the APO also focus on internal communications as part of change management and senior leader competencies. The authors have an internal communications toolkit and training program that could be delivered to the APO if requested.

**Leadership Competencies.** The point above raises the issue of which competencies will be required for public-sector leaders within APO member countries. It is recommended that the APO first identify the competencies needed and then develop programs to address competency gaps to ensure that change in the public sector will be sustainable. Some of the typical leadership competencies required are not necessarily defined in textbooks or consultancy models but rather through good experiential case studies. The authors of this report could assist in gathering data and, after consultation with NPO representatives, developing a suite of essential leadership competencies to meet current and future needs.

**Support for NPOs.** The APO should consider supporting the NPOs who sent delegates to the study mission (Fiji, Mongolia, the Philippines) and the Singapore delegates from IRAS (via SPRING) in implementing their action plans. This could include discussions of how they share knowledge, how they can develop programmatic approaches, and how best to promote productivity and quality in the public sector in their countries/organizations as examples and role models for other NPOs.

**Networking and Learning Opportunities.** Through the study mission, the APO and delegates of NPOs were able to connect with COE such as the EIPA and CAF Resource Centre and other institutions that could be collaborators with the APO COE on PSP. APO delegates were likewise able to network and establish contacts with experts from the 8QC, EUPAN, Benchmarking Partnerships, and BCS Management Services for future PSP programs. The APO should make use of those networks and contacts as appropriate for future developments in PSP.

**Formalize Collaborations.** The APO could consider formalizing collaboration and partnerships with Benchmarking Partnerships, BCS Management Services, the EIPA, OECD, Danish Design Centre, etc. as part of the APO COE “web of collaborators” via Memoranda of Understanding.

**Future Study Missions.** The APO should promote its own PSP study missions in conjunction with Benchmarking Partnerships and BCS Management Services focused on topics, learning needs, and countries selected. It should consider joining future study missions created by Benchmarking Partnerships and BCS Management Services, such as a possible Second Study Mission on PSP in Europe, Study Mission on BE to visit Australian BE Award winners from 3 to 8 July 2016, and the Study Mission on BE Best Practices being planned to Canada from 25 to 30 September 2016. In planning study missions, the APO should consider cross-sectoral learning (from the private sector and NGOs) that promotes innovation, in addition to learning from the public sector.

**Publish This Report.** The APO should consider publishing this report to share the knowledge with all NPOs and conduct an APO workshop or conference to explore the findings in more detail as a first step toward the implementation of the recommendations chosen from above. BCS Management Services and Benchmarking Partnerships also intend to publish the findings from the study mission to reach a global audience and would like to discuss this with the APO as soon as possible.

As an initial recommendation, the APO could hold a workshop to study and assess the CAF and other potential frameworks and methodologies for self-assessment (which could be supplied by the authors of this report). Following or during this workshop, the APO could move toward developing its own public-sector BE framework and assessment methodology by adapting the best practices from the CAF and other instruments to suit the culture and maturity of NPOs. This could be followed by training of trainers courses and pilot demonstrations among NPOs and their client public-sector organizations.

The APO suite of PSP offerings should include adequate:

- Publications and training;
- Advisory and support services;
- Assessment services, if required/requested;

- Linkages to existing performance-based management and KPI systems;
- Knowledge sharing, e.g., documentation and visits to successful CAF users;
- Action planning, prioritization, and improvement planning guidance and support; and
- Sharing of best practices in/benchmarking against the use of the framework/model, best practices among users in deploying the indicators of the model, and workshops and publication of case studies.

The authors of this report are available to help the APO if required as we have extensive global experience in BE, framework development and deployment, self-assessment and evaluations, action planning, change management, improvement planning, evaluation, and benchmarking. An expert users' group could be established to support the framework and process of assessment.

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## Annex 1

## Site Visits and Presentation Reports

CAF Resource Centre

Host Organization Name: CAF Resource Centre No. of Employees: 4

What they do	Provide support to public sector across the EU for improvement. (Quality of Governance). World Bank. Developed and deployed Common Assessment Framework (CAF) a managerial tool for continuous improvement in the public sector. Aiming for excellence of public-sector organizations to achieve the goals of quality as set by EIPA.
How they do it	<p>Work with countries especially the new to help them with good governance. Government and other sectors. Long term view. Customer satisfaction management. Toolboxes.</p> <p>Looking at Capacity Partners, Civil Society, NGOs, Agencies etc. Political Environment, Public Administration. Need to bring stakeholders on board. Time to write a shorter letter keep it simple.</p> <p>Emphasis on capability building. Driven by European Funding aimed at certain areas. Money into training. Intangible things as well as technical things. Good governance and increasing competitiveness.</p> <p>Research, Training, Consulting, Database, President / Secretariat of European CAF Meetings, seminars, pilots, consultancy and advice.</p> <p>The CAF Framework is underpinned by Principles and Excellence and has 9 Criteria as well as sub-criteria, specifically established for the public sector. The Framework is holistic – categories cannot be viewed in isolation of one another.</p> <p>Voluntary network for ‘benchlearning’ as there is no power of EU over how the different countries run their public sector.</p> <p>Seem to be independent and just do what they think is best – self funded. Can prove ROI to customers and EIPA. Survey of Members States as to what they want.</p> <p>Creation of a CAF Community including biennial conferences</p> <p>Promote CAF and create awareness</p>
How well they do it (deployment)	<p>4,000 organizations using CAF across the EU. Up to 5,000 approx. including outside the EU e.g. China, South America. Instrument to help orgs to improve themselves using PDCA.</p> <p>Believe in those that want to start the system in honesty for self improvement. Resource persons for training from CAF Resource Centre – trainers trained from Member States. Have built up credibility and therefore Member States can come to them and relate closely to key individuals from the Member States. To stimulate accountability and leadership of public sector.</p> <p>Emphasis – Do right things in the right way. Customer requirement satisfied. Added value Model is only a tool. Organizational performance. Use the essence of the model (Principles of Excellence). Outputs and outcomes.</p> <p>Ideas encouraged, Thanks, Innovation, Change.</p> <p>The CAF is deployed through a structured process, initially via training offered by the CAF Resource Centre and through top level leadership support, or bottom up via dedicated advocates within the organization.</p> <p>Have information on best practices.</p> <p>CAF Resource Centre is self funded and independent</p>
How they know how well they do it (measurement / results)	Plan, Do, Check, Act. External feedback procedure. CAF Resource Centre monitors implementation across the EU. Users are inspired.
Went well / why and how	<p>Growing use of the CAF model. Some countries apply CAF more than others. CAF is openly accepted in the public organizations that use it.</p> <p>Not many KPIs – rather the CAF assessment links to the KPIs of the organization.</p>
What didn't go so well / why and how	Not all EU countries nor are most public administrations using CAF.

	<p>Sector approach had to be done but not the way forward. Relationship between officials and ministers.</p> <p>Originally asked for results from Users – but they didn't want to share these. Rather they now just advise if they are using CAF. Scoring system was not strong enough for benchmark comparisons.</p> <p>Someone wanted to deploy CAF police – against the policy. How to understand needs of governments – users – in conflict?</p> <p>Limited resources in CAF Centre (4 people only).</p> <p>No Awards, but Certification for proper use of CAF process – certificate must be renewed every 2 years.</p> <p>Lack of political commitment from some EU countries to CAF.</p>
What they have recently improved	Regular revision of CAF based on User feedback. Revised the model again in 2013 and no more change forecast for some years. Continuous improvement in Leadership's mind.
What are they planning to do next?	<p>Commission using funding to drive improvement in the Public Sector in Europe. Aiming to keep CAF stable until 2020.</p> <p>More awareness building.</p>
Key lessons learned	<p>Useful, pragmatic and practical instrument to get people focused on continuous improvement.</p> <p>Holistic Framework touches on all aspects of public administration.</p> <p>Asks what to do – not how to do it.</p> <p>CAF correlates to Business Excellence models throughout the World.</p> <p>When used correctly CAF results in better service delivery and results e.g. see Italian Case Study.</p> <p>Took many years to develop to the acceptance level it has now.</p> <p>CAF has political and leader support now.</p> <p>Well structured process.</p> <p>Management system framework aligned to the objectives of the public sector e.g. relationships between the leaders of public administration and the politicians.</p> <p>Not to have different models for sectors after Education. No certificate. Let them use a logo.</p> <p>More on customer and social responsibility.</p> <p>Ease of deployment within an organization depends on the political and leadership commitment.</p> <p>Need to deploy resources within the organization and questions will be asked about value justification.</p> <p>Emphasis on self-assessment and voluntary use.</p> <p>Interconnection of the CAF criteria.</p> <p>All about results. Use CAF as a mirror.</p> <p>Not that interested in the scoring points. Means to an end. Not looking for detail. They were initially interested in the scores but realized this was not the right approach and besides the scores are not statistically valid – they are more a way to identify practices.</p> <p>Joint effort. Managers and employees.</p> <p>Knowledge already available in the organization. Staff best to judge. CAF helps the process. Unique opportunity to gain an overview.</p> <p>Honest and with trust. Staff are willing to help. Must see results. Can rely on a platform for improvement.</p> <p>Preparation &amp; leadership engagement, Diagnosis by self-assessment, Setting up improvement actions. At own pace.</p> <p>Use of language is important.</p> <p>Classical &amp; Simple.</p> <p>Horizontal strategies: Different SA orgs. Vertical strategies.</p>
What could be done next	<p>Database of best practices with users in sectors</p> <p>Promote structured in-depth 'benchlearning' to share best practices (similar to the Study Mission) or Communities of Practice.</p>

## Italy Case Study – CAF

Organization Name - Institute Professionale di Stato “L Milani – Meda”  
 No. of Employees 98 teachers, 30 collaborators, 1000 students  
 Speaker Name: Paola Maria Perrino

Of the nearly 4000 registered CAF users, 1000 are to be situated in the educational sector. Therefore in 2014 a study was carried out on the impact of CAF in the sector of Education. The major findings are presented illustrated by the Italian case of “Istituto Professionale di Stato “L. Milani” – Meda.”

What they do	<p>This special inclusive educational institution is under constant transition and change, due to increasing demands from stakeholders and limited resources. The CAF model and self-assessment provided a new way of working together for the school – abandoning their former functional managerial structure and helping the teachers to overcome the social-psychological warfare experienced by the staff. CAF was a tool to support teachers and made them feel they belong to the school community. Began with ISO then moved towards the CAF community. Their aim is to motivate 1,000 students through motivated teachers. Commenced implementing CAF in 2009.</p> <p>They have strong teamwork, cohesion and collaboration as well as individual commitment backed up by strong leadership invoking a sense of ownership.</p>
How they do it	<p>From 2009 to 2010 they simply trained in the CAF Model, studying it and attending courses        In the school year 10-11 they implemented the first self-assessment process        In the school year 11-12 they implemented their first improvement plan from priorities that emerged in the self-assessment and they applied for the external visit of a CAF assessor and received their first CAF LABEL        In the school year 12-13 they implemented a second self-assessment process        In the school year 13-14 they implemented the second improvement plan from priorities that emerged in the 12-13 self-assessment        Second effective CAF USER LABEL received in 2014        It is a practice in the school to administer a questionnaire to stakeholders every year, so they can measure variance between perception and importance as regarding their job condition satisfaction questionnaire.        It was a holistic process of self-assessment, action planning, implementation, improvement and evaluation of results</p> <ol style="list-style-type: none"> <li>1. Training to learn it – it is not difficult – some staff</li> <li>2. Launching the model – explain why shifting from ISO to CAF – see above</li> <li>3. Asked staff to form a self-assessment group (not pre-decided who) – tried to involve as much of the staff as possible</li> <li>4. Involved internal and external stakeholders e.g. families of students (focus groups)</li> <li>5. Individual scores by every member of self-assessment group then discussion of a consensus score</li> <li>6. After discussion with CEO presented results to whole staff</li> <li>7. Weaknesses defined and prioritized – strengths also captured</li> <li>8. Formed an improvement team group – not same as self-assessment group – chosen according to areas to be improved and according to their competencies</li> <li>9. Each improvement process owned by a member of the improvement team – who is empowered with tools, decision power</li> <li>10. Process owners designed process improvement plan and monitoring</li> </ol>
How well they do it (deployment)	<p>Training in CAF was important - managers and staff        Improvement process actions led to best practice        Teachers were able to use more competencies by being part of self-assessment and improvement teams        They involved stakeholders including student parents’ focus groups        Prioritization of improvements was vital rather than trying to improve too much        Staff volunteered to be involved</p>
How they know how well they do it (measurement / results)	<p>Positive results were realized as shown by performance data before and after CAF        KPIs improved – high variance in student results from teacher to teacher reduced significantly with 82% of teachers cooperating in planning didactics        Increasing satisfaction of students and families and of school staff        Improved inclusiveness of the school        Teacher feedback slide 34 – significance = importance / perception = performance. Variance (gap) between these scores indicated level of satisfaction. This variation reduced from 12/13 to 13/14        Most people in the school now can say I care for the success of students</p>
Went well / why and how	<p>As a CAF user you really feel part of a community which encourages you to go on        Training support        Examples in the CAF documentation were very useful        Involvement of staff in teamwork for the self-assessment and improvement plans – staff feeling part of the school community        Focus on self-measurement of teacher performance using data        CAF gave a systematic framework lens for teachers and students</p>

	<p>Helped the staff to be more aligned to the school mission and identifying areas for improvement</p> <p>Involved everyone</p> <p>Self-explained why the move from ISO to CAF community</p> <p>Data were available to be shared i.e. focus group data, survey data</p> <p>Self-assessment showed that there was a lack of cooperation among some teachers even in the same department and team – this was improved</p> <p>Staff are driven by goals not waiting for managers to tell them what to do</p> <p>They were able to raise consciousness and deepen understanding on the need to improve</p>
What didn't go so well / why and how	<p>First self assessment was scary – had to prove through strong communication that it was not an audit and was aimed at improving the consistency of student exam results from class to class – teachers become to recognize that this had to be improved by more inclusivity and training and consistency</p> <p>The leader was very concerned about handing over empowerment to the staff but success proved the way</p> <p>Different academic results. Negative trend in some indicators - Decided to develop an improvement plan</p>
What have they recently improved?	<p>Improvement process and communications integrated into school normal communication processes</p> <p>Procedures to improve cooperation among teachers</p> <p>Defined targets and common tools</p> <p>Monitoring of teacher satisfaction – this has improved</p> <p>Support and training given to teachers</p> <p>KPI results generally improved</p>
What are they planning to do next?	<p>Follow success of students after they leave the school. Working with companies to better prepare students for the workforce and to track what happens with school leavers in terms of their participation in the workforce</p> <p>Defining new ways of working</p> <p>Improving stakeholder relationships</p> <p>Continue with CAF</p>
Key lessons learned	<p>CAF is a strategy to learn together, plan together, empower</p> <p>Assessment is more important than the score</p> <p>Training of staff</p> <p>Stakeholder engagement is critical to the success of CAF</p> <p>Involve and empower the staff to be engaged in the self-assessment group and improvement process through co-designing</p> <p>Assess trends in your own key performance indicators</p> <p>Regular communication with staff through the implementation</p> <p>Evaluate the benefits</p> <p>Have improvement plans to achieve the results</p> <p>Leaders need to motivate staff process owners to take responsibility for improvement initiatives</p> <p>Leadership plays an important role to instill a culture of improvement and to inculcate the sense of responsibility of a process</p> <ol style="list-style-type: none"> <li>1) Leaders are responsible for the whole improvement plan with staff given ownership given to sections of the improvement plan</li> <li>2) Need to monitor staff satisfaction</li> <li>3) Keyword – “communicate” e.g. communicate the purpose of CAF to stakeholders i.e. for the purpose of quality improvement</li> <li>4) Sustainability – if the improvement model has been established and accepted by all, even if there is a change of leadership then it will be easy to continue implementation</li> </ol>

#### City of Mannheim (CHANGE) Case Study

Organization Name: Mannheim City (CHANGE). No. of Employees: 8,000 (16,000 including owned enterprises e.g. power plant)

A combination of new management tools and organizational culture-change. The Change<sup>2</sup>-Programme in the City of Mannheim aims to combine target-orientation and introduction of new steering-instruments with cultural change around leadership and improved dialogue within the city organization. Helping city administrators develop into managers and leaders is one of the key priority areas on the change-agenda of the Lord Mayor

What they do	<p>City Government on center of transport in EU. Establish business start-ups. Politics – 500Ha former military installation (US) to be developed. US military is now back and 3,000 refugees in last 7 days – extra 20,000 to 30,000 refugees being prepared for. Multicultural city – 170 different nationalities. Dealing with diversity is a challenge as well.</p> <p>Mistake – to focus just on service for “customers” rather than citizens. Role of Public Administration is shifting from service to participation to shape opportunities for the city community. Leads to CHANGE process, strongly supported by the Mayor. Looking towards impacts to society (outcomes) rather than just products and services (outputs). Looking at effectiveness of measures rather than just efficiency of measures.</p> <p>Vision – to become one of the most modern local administrations in Germany. Need to be flexible to cope with change e.g. refugees</p>
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	<p>Reform process – 8 targets – strengthen urbanity, strengthen local economy, attract talents, preserve social tolerance, increase educational equality, strengthen creativity, support civic engagement, increase equity capital.</p> <p>CHANGE aims at structural and cultural changes. Top down approach.</p> <p>Mission – achieving more together – (CHANGE squared) as Manheim is planned in squares</p> <p>Looking at effectiveness of services</p> <p>CHANGE is an internal change program for staff – through staff to effect external change</p>
How they do it	<p>Top down leadership from the Mayor</p> <p>Strategies set as above, projects and communications</p> <p>Central CHANGE team – internal consultancy for change</p> <p>Took part in EU Public Sector Award</p> <p>Key 36 master-plan projects</p> <p>Plan developed by Lord Mayor first then consultation with municipal council and public</p> <p>Aim of plan - strengthen urbanity, gain talents, strengthen enterprises, increase educational equality</p> <p>Project driven</p>
How well they do it (deployment)	<p>CHANGE operated from 2008 – 2013 then a consolidation phase to incorporate changes into everyday life</p> <p>Guidelines developed for leadership, communication and cooperation (including pocket version) measured by 360 degree feedback</p> <p>Mayors public platform was to professionalize the business for the community leading to the 36 CHANGE projects driven by him e.g. citizen involvement in urban planning projects like what to do with the land after the US Army left</p> <p>Look at impact of services on society</p> <p>Incorporate new standards into day to day activities</p>
How they know how well they do it (measurement / results)	<p>Evaluation of success in achieving targets by external scientific body – get report?</p> <p>Strategic and management targets measured by indicators</p> <p>Vote of City Council on strategic targets – mandate for strategy and top-indicators</p>
Went well / why and how	<p>Top down driven from the Mayor / tried to involve employees later on</p> <p>Focused on the political priorities rather than “everything matters”</p> <p>Building blocks for successful CHANGE – political leadership from the top (but this can be disruptive if the leader changes) – looked for consensus between political parties, involvement of central stakeholders, executives as core function, communication and participation, binding agreements with staff council, resourcing to support change, meaningful visions and clear mission (in a nutshell), program with measurable targets, showcasing of success stories, culture change. Did not involve citizens at that stage as it was an internal change, but much dialogue with the private sector</p> <p>Concise and tangible communications</p> <p>Framing</p> <p>Language (narrative, facts, stories, etc.)</p>
What didn't go so well / why and how	<p>Often change needs time but change of political due to election leader could have derailed the change</p> <p>Having trouble quickly changing the culture</p> <p>Structural obstacles in way of employees who wanted to change e.g. cooperation from executives not consistent, no feedback from boss – program now for leaders to people?</p> <p>Some stakeholders represent only a few but have strongly voiced specific needs that are not necessarily the best for the community as a whole, while other groups are not very outspoken but their needs are valid and need to be heard</p> <p>Unable to externally communicate to the media why the reform process was important to the citizens – failed here as Lord Mayor was lambasted</p> <p>Change in public sector</p> <p>Leadership vs management (stability)</p> <p>Disruptive events</p> <p>Inability to measure success/outcomes</p> <p>Triple logic (power, communication, policy/legal)</p> <p>Lord Mayor is the key change manager</p>
What they have recently improved	<p>Now consolidating the CHANGE into everyday life</p>
What are they planning to do next?	<p>2014+ culture change, optimization of organization, new also is portfolio analysis, improve personnel management – determined from evaluation results and employee survey</p> <p>New instruments through HR e.g. KM, prioritization of tasks / products (portfolio analysis) tool</p> <p>Vision - To become one of the most modern local public administrations in Germany</p>

City of Mannheim (CAF) Case Study  
 Learnings by Delegates

What they do	The City uses three pillars for comprehensive Quality Management - CAF, integration and advancement of Quality Management activities for better quality of products and services. They set up CAF self-assessment procedures to enhance quality management
How they do it	They conducted two pilot self-assessments – the whole organization (executive level) and one department (economic development department) They applied a gradual approach over 3 – 4 years. CAF incorporated existing Quality Management processes, for example Continuous Improvement Process (called PRIMA) and ISO 14001. 2011 to 2014 from start to action plan implementation They engaged employees in the assessments and prioritized improvement activities that arose
How well they do it (deployment)	The Lord Mayor / Deputies and 12 people did the assessment for the whole organization – focus groups For the Department pilot leaders and employees were together / employees could apparently speak out in front of leaders They also had a wide-ranging project steering group <div style="text-align: center;"> <pre>                     graph TD                         A[Comprehensive City Management] --&gt; B[Self-Assessment with CAF]                         A --&gt; C[Integration and Advancement of Quality Management Activities]                         A --&gt; D[Better Quality of Products and Service Outcomes for Citizens]                         B --&gt; C                         C --&gt; D                     </pre> </div>
How they know how well they do it (measurement / results)	Indicators related to strategic plans (70 indicators) Identified quick wins first based on the results of projects Used trend analysis in monitoring the scores across the 9 CAF criteria <ul style="list-style-type: none"> <li>Measured gap between perception and results</li> </ul> Transparency of management decisions Prioritization of improvement projects
Went well / why and how	Lord Mayor had EFQM experience and led the focus on Quality Management Employees can take part in CAF CAF is an established tool Available support resources at many organizations like EIPA, Belgian & German CAF Centres CAF model monitors the outcome level and hence focuses on real results as well as the enablers CAF can be easily adapted to your own organization and is readily available Quick wins Good communications
What didn't go so well / why and how	Feedback from staff – “not another project!” - CAF is an additional project that needs resources with a bureaucratic approach – German CAF is checking whereby in other countries it is an involving engagement process Participation activities can induce further frustrations due to other projects Efforts can be taken in vain if actions to improve are not implemented Article in internal magazine before starting self-assessment (only a few people gave feedback to take part in the CAF-Process) Too many CHANGE-projects already to people who did not want to do another project (CAF) Collecting proofs as an archive for the scoring: a lot of documents are relevant as a proof for strengths in the self-assessment of the whole city
What they have recently improved	Flyer for the CHANGE program Modified evaluation sheet – German CAF 210 indicators / reduced for Mannheim to 140 indicators (70 enablers / 70 results) – some organizations just discuss the 9 categories and 28 sub-categories / while some go through all the indicators / examples – these are too broad as printed as for Europe / need to be rewritten for your own organization
What are they planning to do next?	Challenges – need a Lean approach How to gain documents for the enablers and results across 38 departments - need better communications and engagement Make it easier somehow to gain employees for the process / large time expenditure Different perspectives and opinions across the different departments - the discussion of this is the real value of the self-assessment, but this is difficult to measure Making sure the action plan is implemented – refine the prioritization of their areas for improvement to be more focused on the ‘vital few’ for the action plan Planning the project now for the future

Key lessons learned	<p>CAF is a common framework that gives you the entire spectrum but it is flexible and can be tailored to the organization</p> <p>Leadership engaged – this is vital</p> <p>Employees involved – this is vital</p> <p>Integrated with existing Quality Management processes and tools</p> <p>Measure perceptions as well as results</p> <p>Tailoring the CAF model to their own organization</p> <p>Presence of umbrella steering committee</p> <p>Celebration of success and identification of quick wins</p> <p>Communication, communication, communication!</p> <p>CAF was fully understood by the key drivers internally</p> <p>Need time for CAF to be proven effective, but make the most of quick wins</p>
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Belgium Federal Public Service Finance Case Study

Host Organization Name: Belgian Federal Public Service Finance with Employees of 24,000 (tax 8,000) – staff cuts e.g. in HR – but investing in core business (HR 600 people / 2% of total)

Speaker Name: Kurt Van Reamdonck, Director Staff Service Personnel and Organisation; Annelien Van Bellingen, Co-ordinator for General and Leadership Training, Academy of the Belgian Federal Public Service Finance

Kurt Van Raemdonck, Director of the Staff Service Personnel & Organisation & Annelien van Bellingen, responsible for the leadership development program and knowledge management.

Leadership development is an important issue in public administrations. This case study explains in detail the reasons why leadership development became an important topic and practically how it was approached in the context of a large and complex public organization such as the Federal Public Service Finance, which counts more than 23,500 employees.

This interesting case provided a structured and detailed action plan on how to develop important managerial skills useful for facing the new challenges that the current EU scenario is bringing about, and deliver better services to final beneficiaries.

What they do	<p>With a view to rendering professional and efficient services to our citizens and companies, the FPS Finance has introduced a number of major re-organizations and changes in the past few years. In order to anchor these changes in an organization which has been known for its rather rigid legislative context and organizational culture, they were counting on their executive civil servants to assume the roles of leader, coach and change agent within their teams. Since 2011, they have offered a wide range of training activities to develop the leadership potential of executive civil servants.</p> <p>They develop leaders to contribute to change and innovation. This is a shift from development of technical expertise prior to 2010.</p> <p>Mission of FPS Finance – to be ranked as Belgium’s most attractive public employer. Customs treat customers as “customers” e.g. in competition with other ports, they tax “citizens.”</p> <p>They lost 12% of their workforce in 3 years plus developed a more flexible workforce e.g. work from home, now have performance conversations, also loss of buildings – pressure in middle managers to do the extra work plus suffer the cuts at the same time.</p> <p>FPS Finance challenges:</p> <ul style="list-style-type: none"> <li>• Aging workforce and massive retirement wave (1,200 retirements each year)</li> <li>• War for talent – to attract and retain the right people with outside competition</li> <li>• Modernization – need for change agents among leaders</li> <li>• Cut down expenses – e.g. 456 buildings down to 183</li> </ul> <p>This is disruptive. They have a 6 year plan for the change. A culture of innovation / risk / creativity is needed within the legislative boundaries Creativity constrained by 4 unions as well Aim is a co-creative culture –</p> <ul style="list-style-type: none"> <li>• knowing the business</li> <li>• ownership</li> <li>• trust</li> <li>• feedback and coaching</li> </ul>
How they do it	<p>New leadership model was introduced in 2011– 3 equal roles of leaders –</p> <ol style="list-style-type: none"> <li>1. <b>Leader:</b> managing, setting goals, providing resources, analysing risks</li> <li>2. <b>Coach:</b> listening, giving feedback, developing their employees, encouraging knowledge sharing</li> <li>3. <b>Change agent:</b> proving the need for change, creating a sense of urgency, stimulating innovation, actively involving their employees in new methods and processes, the will to set a good example</li> </ol>

	<p>A 12 Stage Leadership development program was implemented:</p> <ol style="list-style-type: none"> <li>1. Needs assessment and marketing at the level of the Managing Board (May-June 2010): brainstorming and debates were held with the Managing Board about training policy, sponsorship, commitment, budget and project milestones</li> <li>2. Public procurement for leadership development in the FPS Finance (October 2010): a public contract was concluded with Quintessence Consulting in order to elaborate a leadership development program for our top and middle management and to provide with trainers, coaches and training material. This development program was called "FinGrow" and focused on situational leadership, feedback and coaching, authenticity and organizational values. This public contract was executed in three sub-stages, in accordance with three target groups:             <ol style="list-style-type: none"> <li>1) The Steering Committee (i.e. the President and Members of the Managing Board)</li> <li>2) Middle Management: a pilot group of 120 executive civil servants</li> <li>3) Middle Management: 1400 executive civil servants</li> </ol> </li> <li>3. Policy document presented to the Managing Board (February 2011): this document explained the urgent grounds for leadership development in the FPS Finance and proposed a new reference framework for our executive civil servants. The President of the Managing Board accepted to be the project sponsor and played a crucial role in budget negotiations. The public-sector trade union representatives were informed as well</li> <li>4. Communication (Since 2011): The President of the Managing Board sent an invitation letter to all future participants to emphasize the importance of our leadership development program. Being the project sponsor, he also introduced each training session of a new group of participants. The first target group of FinGrow was invited to a kick-off on 11 March 2011. During this kick-off, the projects' main principles and milestones were presented and a brainstorming session was held on the content of the course and the communication campaign. Since then, other communication actions have regularly been undertaken, e.g. a summary of the leadership programs on the intranet, articles and testimonials in our internal business magazines and newsletters and the organisation of a large-scale FinGrow event in May 2014</li> <li>5. Evaluation and measurement of training and coaching offer (Since 2012)</li> <li>6. Launching of a 360-degree feedback tool and an internal network of feedback consultants (August 2012)</li> <li>7. Launching of the 1st edition of a Potential Leaders program (April 2013): an intensive training program (consisting of soft and hard skills training, workshops, mentoring, peer and individual coaching, networking activities) was offered to a selected group of 24 team leaders who have proven to have high leadership potential</li> <li>8. Public procurement for the development of a basic leadership program (2013): a public contract was concluded with Optima Facto and Progress Consulting in order to elaborate a leadership development program for newly recruited team leaders and to provide with trainers and training material</li> <li>9. Creation of learning networks for executive civil servants (May 2014): internal HR employees facilitate these quarterly knowledge-sharing meetings among executives</li> <li>10. Internal mobility procedure to recruit 2 internal HR trainers (July 2014): these internal HR trainers are now developing a wide range of internal leadership courses, e.g. on the leadership essentials, change management, coaching, task planning</li> <li>11. Internal selection procedure to recruit internal (career) coaches (January 2015)</li> <li>12. Launching of the 2nd edition of our two-year Potential Leaders program (March 2015)</li> </ol>
<p>How well they do it (deployment)</p>	<ul style="list-style-type: none"> <li>• HR team of the year was achieved</li> <li>• Monitor works with leaders who do 180 degree feedback to discuss their development</li> <li>• Have positive and negative bonuses – warning signal year before – have to develop yourself then 6 months further to improve. If no improvement and a second negative evaluation you are out – usually they leave themselves before this occurs</li> <li>• If people develop, they self-move towards excellence in performance evaluation</li> </ul> <p>They aim at differentiating their training offer as much as possible, not only in target groups (recently recruited team leaders, middle management, senior/top management, potential leaders), but also in the use of innovative learning methods (learning networks, workshops, e-learning, roadshows, local events)</p>
<p>How they know how well they do it (measurement / results)</p>	<p>Participation rates</p> <p>They use Kirkpatrick evaluation model – 4 layer development – happy sheets after course – reaction, couple of months later – learning evaluation, behavior – has this changed – participants complete on line assessment as well as 3 employees (motivation, coaching and teamwork), results (e.g. impact on work environment)</p> <p>They have used a satisfaction survey every 2 years (60 questions) – coaching style and involvement of people, feedback – showing good results. 90% now getting a 6 monthly review</p> <p>6 monthly review – yearly review (evaluation cycle) consisting of 4 discussions: the function discussion, the planning discussion, the performance review and the assessment review - goals achievement, teamwork, self-development, staying employable</p> <p>The following quantitative data can be presented:</p> <ul style="list-style-type: none"> <li>• FinGrow leadership program for top and middle management: 1,384 participants and 7,138 course days</li> <li>• Basic leadership program for newly recruited team leaders: 254 participants</li> <li>• Quarterly learning network meetings on leadership challenges: 247 participants</li> </ul>

	<ul style="list-style-type: none"> <li>• 360° feedback: 90 participants</li> <li>• FinGrow closing event: 921 participants</li> <li>• Seminars for top and middle management: on average 325 participants</li> </ul> <p>2-yearly job satisfaction survey: shows a clear shift in leadership behavior</p> <ul style="list-style-type: none"> <li>• More open communication</li> <li>• More feedback</li> <li>• More employee involvement in decision-making and task planning <ul style="list-style-type: none"> <li>• Executives are more aware of their strengths and weaknesses in leadership</li> <li>• Fewer difficulties in delegating, giving factual feedback and setting individualized goals</li> <li>• Absenteeism rates remaining stable, despite the increasing workload</li> <li>• Increasing number of teleworkers</li> <li>• In 2014, 98 % of executives held at least 4 job planning and evaluation interviews with each of their employees.</li> </ul> </li> </ul>
Went well / why and how	<p>Listen to stakeholders ‘Walk the talk’</p> <p>Anticipate resistance – middle managers did not think leadership was part of their (technical) role – invested a lot of time in discussions internal and with external experts – visited every city – one voice in the communication of direction</p> <p>When coming in from outside to do this don’t adapt to the culture. The FinGrow training program for nearly 1,400 employees in top and middle management is</p> <ul style="list-style-type: none"> <li>• A basic leadership program for newly recruited team leaders</li> <li>• 2-yearly Potential Leaders program</li> <li>• Shorter workshops, roadshows and seminars on topical matters</li> <li>• 360-degree feedback</li> <li>• Learning network meetings</li> <li>• Electronic managers’ toolbox</li> </ul>
What didn’t go so well / why and how	<p>Change agent should be the most important role with more emphasis (in hindsight) – than the other 2 roles (i.e. leadership and coach) – had to go through them not with them</p> <p>Kirkpatrick model can be resource intensive so some other organizations only use it for core competency</p> <p>Need for specific target group oriented programs</p> <p>Need to integrate HR tools</p> <p>Invested in leadership training and technical development</p>
What they have recently improved	<p>Internal career coaching</p> <p>Internal HR trainers</p> <p>Internal career coaches for competence coaching and career reorientation</p> <ul style="list-style-type: none"> <li>• New competence workshops developed by a team of internal HR trainers</li> <li>• Purchase of a leadership potential assessment tool which will also be used for recruitment</li> <li>• A digital e-platform on leadership</li> </ul>
What are they planning to do next?	<p>Internal training rather than outsourcing – lower cost, better understanding of issues and executives prefer in house</p> <p>Integration into succession planning and talent management</p> <p>Career path planning for leaders related to expert career paths</p> <p>Simpler HR regulation needed</p> <p>Centralize support services</p> <p>Data matrix needed / mining of HR (benchmarking with tax data mining)</p> <p>Conclusion:</p> <ul style="list-style-type: none"> <li>• Leadership development must be a continuous process</li> <li>• Investing in the development of people management and motivational skills, employees involved in change and innovation processes</li> </ul> <p>Future activities and projects:</p> <ul style="list-style-type: none"> <li>• Developing in-house leadership expertise: internal HR trainers, career coaches, mentors</li> <li>• Integration into succession planning and talent management</li> <li>• Development of a management career path, which has to be equivalent to our already existing expert career tracks</li> </ul>
Key lessons learned	<p>Should citizens be customers as well as citizens</p> <p>“I like it in theory, but...” The adapted approach</p> <ul style="list-style-type: none"> <li>• Specific target-group oriented programs</li> <li>• Blended learning, with larger focus on the exchange of best practices</li> <li>• A la carte</li> <li>• In-house training, coaching and mentoring</li> </ul> <p>Get information from operational areas on citizen feedback</p>

## Luxembourg Air Navigation Administration Case Study

Host Organization Name: Air Navigation Administration Luxembourg

No. of Employees: 210 (public servants, safety, air navigation)

What they do	<p>Organizational change in a performance scheme and regulation driven organization in compliance with the Single European Sky (SES) requirements and regional and national agreements. The aim of the exercise was to develop a vision, a strategic initiative and plan for the future of the organization called 'ANAFuture' that meets the requirements existing beyond the organizational borders of ANA: the structures and goals of the Ministry in charge, the demands of users of the Air Navigation Services (ANS) and the Aerodrome operational and technical infrastructure.</p> <p>It has two main missions. The first is air navigation services provider and the second is as the aerodrome operator.</p> <p>Its issues are strategic vision, design and implementation. You have to adapt and show that you are alive. Motivate people, change and advertise it to the outside world. The business is to make planes fly safely and move around the airport which involves adapting the services to the customer needs.</p> <p>Due to the complex legal, institutional and regulatory frameworks they had to undertake an honest in-depth analysis of the status quo. The results had to be achieved through a process of managed change and through carefully designed steps and initiatives.</p> <p>Being smart and creative to achieve good results Now need to be certified through quality excellence The goal of air navigation service provision is to ensure safe flights in an efficient way plus increase number of passengers, freight and aircraft – high freight activity and growing – 5th in Europe in order to have an economic value and reduce social impact Airport operations include – fire brigade, lighting of runway, signs and markings, pavement maintenance, winter operations management and wildlife management. Metrological activity – national metrological services, general public and air traffic Aerodrome services like collaborate as communication for rescue services Luxembourg Airport manages the terminal / parking / security</p>
How they do it	<p>Certification – Air Navigation Service Provider, ISO, Proud of Quality Award by Luxembourg Q Society</p> <p>Engage stakeholders to achieve business goals – work with 27 companies and 86 destinations Safety system use Swiss cheese model – decisions makers, line management, preconditions, unsafe acts, Looked at CAF and EFQM – CAF approved by Ministry, other CAF users with experience recommended CAF, scope of EFQM was over the top for first up, CAF practical and can tailor to needs</p> <p>3 Steps:</p> <ol style="list-style-type: none"> <li>1. Lay the foundation including CAF assessment, SWOT, CAF and ISO</li> <li>2. Define the strategic initiatives and management structure <ul style="list-style-type: none"> <li>- define the strategy as the future “target” situation in terms of objectives and projects;</li> <li>- review and precise the performance indicators to measure performance;</li> <li>- review and set the performance targets to be reached;</li> <li>- manage, and monitor the 5 year strategic business roadmap and work plan;</li> <li>- define the processes, procedures, roles and responsibilities of the parties involved.</li> </ul> </li> <li>3. Long-term strategy for the future – looking toward 2019</li> </ol> <p>This process included strong user consultation.</p>
How well they do it (deployment)	<p>ISO 9001 - 2008, CAF 2009, EFQM 2010, Air Navigation Services provider 2012 (UE 1035/2011) certification, 2014 Luxembourg Quality Award, Aerodrome certification 2016 (UE139/2014) New risk management procedure</p>
How they know how well they do it (measurement / results)	<p>The KPIs (Key Performance Indicators) demonstrate the major results and the main improvements. KPIs are regularly (twice per annum) reviewed and achievements are monitored, appraised, and corrective actions are taken. Key performance indicators reflect the safety, legal, operational, technical, environment and financial requirements and correspond to the current strategic objectives and plans and with external (EU wide; FABEC wide, national) and ANA internal performance targets.</p> <p>Proud of Quality Award by Luxembourg Q Society.</p> <p>KPIs – accidents and incidents by severity – aim for zero most severe incidents -</p> <p>Benchmark KPIs with competitors (for capture of airlines) within 200 km – costs, taxi, delays lower.</p> <p>Movements increasing, Freight tonnage increasing, Passengers increasing, ATM ground contribution to incidents decreasing, effectiveness of safety management - improving</p>

	FABEC regulates and controls air traffic in EU – SES – 28 countries / not efficient – to simplify and synergize air space into blocks – are not free to do what they want nor have own ideas – even KPIs are imposed targets – cost efficiency, safety, environment - stretch targets imposed
Went well / why and how	<p>Stakeholder mapping - complex</p> <p>Use of CAF</p> <p>Doing their own thing – not from a textbook</p> <p>Common idea of the future = Joint Representation</p> <p>Move from one single organization to multi-level organizations = Collaborative Network</p> <p>Have an internal and external view of our organization before deciding major changes – ISO, CAF, SWOT including stakeholders’ analysis</p>
What didn’t go so well / why and how	There was a problem trying to persuade staff that they were not just technical specialists but also representatives of the organization to the customer. Still working on it.
What they have recently improved	<p>They are focusing on 2017 at this point. It is a long-standing organization which sometimes makes it hard to change outlooks. Need to take account of all of the stakeholders and apart from technical abilities staff need the wider personal skills. Need to manage change.</p> <p>There is a need to balance safety and financial solvency. Also there is a need to understand the consequences of the results of the services.</p>
What are they planning to do next?	<p>Future customer needs in terms of Quality – users want more capacity, safety with less cost, citizens want less noise and no night flights in a strong economy – how to balance this through Quality.</p> <p>The strategic initiative initiated is one that aims to a broader framework : It involves our stakeholders and partners with which ANA has to work more, requiring us to break down not only the ‘silos’ in ANA – which they did to a great extent – but also the barriers between the local, national and regional partners.</p> <p>Testing this (‘bandboxing’) and assessing what is currently feasible is what is at stake with the current strategic initiative.</p>
Key lessons learned	<p>Great change process with CAF as an enabler of cross organizational collaboration to move the organization from one of “patch” protection to cross functional. Also applied then new project management and program management, strategy mapping to cascade KPIs imposed by the EU air navigation (which surprised the EU air navigation authorities in a good way) and strong change management.</p> <p>There is a need to see how they can change in real life. There are many books and clever people available but they needed to implement their own plan. They used ISO and CAF for their self-assessment. They found 12 actions that needed to be taken. To implement fully nine of these actions has taken nine years so far.</p> <p>There is a need to understand their own situation. It is not possible to have a clear view of the future but it is possible to plan ahead with their own specific aims.</p> <p>Right balance between - stakeholders expectations - Own business model with economic impact in a sustainable approach.</p> <p>Need to motivate the people to change. They are not just technical experts but also need to learn to deal with people and stakeholders and have to understand the right balance between safety and economics. People need to understand the consequences of poor service and the impacts of what they do on others.</p> <p>Uncertainty and dealing with a myriad of stakeholder demands is a trigger of innovation.</p>

CAF in Belgium

The Brussels Regional Government decided to modernize the Regional Public Service of Brussels by improving the performance of the horizontal teams and the quality of services provided to internal users of these horizontal supporting entities. More concretely, the objective is to make available a catalogue of services for internal use, which could be extended to citizens in the medium-term.

Belgium has a national CAF Action Plan including –

- Information including website, brochures, introductory meetings
- Training
  - o CAF integrated into the general trainings for civil servants
  - o Specific CAF training
  - o CAF training by private partners

- Tool development including guidelines, case studies and sector specific tools e.g. education, prisons
- Support toward implementation including in-house training and in-house coaching
- Partnerships with Walloon Brussels Federation, inter-regional quality network, EIPA and EUPAN
- Events: quality conferences and CAF-events
- User registration
- Linked activities e.g. procedures for external feedback (40 people trained) and linkage to the social responsibility framework

#### Catalogue of Services

##### *Project Background*

Brussels-Capital is a bilingual region of the Belgian federal state with competences in the field of the management of its territory (19 municipalities – 162 km<sup>2</sup>). Since 1989, the year the Region was created, the Brussels Regional Public Service has been responsible for the preparation and implementation of the regional policy in order to guarantee an optimum service for the population in a context of sustainable development.

The Brussels Regional Public Service, organized into seven administrations, Brussels Regional Coordination and six functional administrations, employs about 1,850 members of staff.

In 2012, the Brussels Regional Government decided to modernize the Brussels Regional Public Service, formerly the Ministry of the Brussels-Capital Region, in order, among other things, to improve teams' performance and the standard of service offered to users.

The realization of this objective is, in particular, translated by the provision of a catalogue of services designed initially for internal users. In the medium term, this catalogue should be extended to citizens for external services. This project was entrusted to the Quality Department created following the organization's modernization.

##### *Objectives and main results*

Improving support and assistance missions is a fundamental challenge for the future, with Brussels Regional Coordination (general secretariat) also being called upon to play an increasingly important role in the Brussels Regional Public Service and vis-à-vis other Brussels regional public stakeholders. Brussels Regional Coordination must adopt a new customer-focused approach by guaranteeing good quality professional support, respect for deadlines, planning for implementation and provision according to the standards and levels of demand in terms of results.

##### *Strategy*

Consultation of the needs and expectations of the 7 administrations in terms of service provision, for example, translation, printing, non-food orders, reservation of the Brussels Regional Public Service carpool, legal notices, remuneration simulation, bicycle allowance, etc.

- Study of the notion of service level agreements (SLA) and "customer satisfaction" (ISO standards)
- Securing of service provision by finalizing working procedures
- Drafting of service contracts according to a standard contract (validation of a framework)
  - o Presentation of the service
  - o Service cover
  - o Parties' undertakings (Our undertaking/Your undertaking)
  - o Methods (practices) and standards (legal, regulatory, statutory)
  - o Conditions for accessing the service
  - o Our quality undertaking (time, quality, satisfaction indicators): WEB version not finalized at this stage but presented in workshops
  - o Application form
- Negotiation of contracts with users in a workshop coordinated by the Quality Department (moderator)
- Setting up of a "Single point of contact" (SPOC) system
  - o Bilingualism and back-up
  - o Training + Intervention (intervention is a system)
  - o Monitoring of requests, satisfaction and reporting rates

##### *Results*

- Intranet launch of the catalogue on 1 December 2014 with a 9-month test phase
  - o 1st phase: 10 "supplier" departments - 31 contracts
  - o 2nd phase: review of contracts and launch of new contracts
- Entry according to SPOC (monitoring, satisfaction surveys, reporting)
- Initial evaluation after three months: use of services, first satisfaction measurement, feedback to "supplier" departments, ongoing improvement of the tool by the Quality Department
- Communication plan
  - o News published on the Intranet for the catalogue's launch (1/12/2014)
  - o Articles in the in-house newsletter Iris Info (designed for public servants) and Horizon Iris (designed for line managers)
  - o information sessions with a presentation and questions-answers
  - o Production of a "go animate" video

Implementation process: lessons learned

An initial review was drawn up at the end of February 2015 and was presented to the Management Committee, concerning the quantification of requests, the hit-parade of the services requested, the evaluation of satisfaction, etc. This intermediate review helped to highlight:

- the importance of securing working procedures (roles and responsibilities established, back up, etc.)
- the emergence of a certain degree of resistance (preservation of one's job security, changes in habits, etc.)
- problems related to management (little or no delegation, team coordination, etc.)
- the need to optimize computer tools ("Assyst software" project for an automatic requests and reporting management system)
- the need, in particular, to simplify validation workflows (map).

The 9-month test period should allow the catalogue's suppliers and users to adopt new practices and progress in this sense. The first results are encouraging and demand greater and better communication and, above all, to be more open to users and simplify what can be simplified even further.

Finally, in parallel to the catalogue's maintenance and monitoring ensured by the Quality Department during the 9-month test phase, three objectives will be pursued, namely:

- appropriation of the tool by the departments concerned
- the application's extension to external customers after internal stabilization
- the awarding of ISO type certification.

Annex 2

Report on the APO Research Mission on Recent Trends in Public-sector Productivity and Performance in Europe (Belgium, Netherlands, Germany and Luxembourg) from September 27 to October 2, 2015 under the APO Development of Center of Excellence by Magdalena L. Mendoza.

I. Introduction

In recent years, the need to address productivity issues in the public sector has been identified as one of the top priorities by many member countries of the Asian Productivity Organization. In response, the APO initiated projects and activities to enhance public sector productivity such as adaptation of productivity tools and techniques, strengthening performance management systems, measuring productivity, promoting innovation, etc. The APO has also crafted its Public Sector Productivity Program framework to guide National Productivity Organizations and public sector organizations in member countries in adopting coordinated approaches to raise productivity and improve quality of public service delivery.

Recognizing its importance, the APO Governing Body approved the establishment of the APO Center of Excellence on Public Sector Productivity (COE on PSP) within the Development Academy of the Philippines during its 57th Session in Bangkok, Thailand, last April 2015. The COE on PSP intends to address common and critical issues and advance public sector productivity movement in Asia and the Pacific region by facilitating learning, innovation, and sharing of knowledge and best practices among APO member countries. Among others, the key activities of the COE on PSP include research and development of materials to strengthen its capacity and disseminate know-how to other APO member countries through multi-country workshops, conferences, training courses, and assignment of experts. One area that required extensive research and development is on suitable benchmarks for PSP performance. The limited performance excellence benchmarks for public sector organizations make it difficult to measure, compare, and improve productivity systematically. Another area for study is on global benchmarks of organizations established for the purpose of fostering innovation and advancing PSP practices.

The research mission coincided with the First Public Sector Performance Study Mission in Europe held from 27 September to 2 October 2015. The study mission was very timely since it provided the APO delegation the opportunity to undertake benchlearning with public sector organizations on advanced PSP practices and standards in European countries.

This report contains the observations on the recent trends and good PSP policies, programs and practices that may be adapted for the APO member countries and opportunities, tools and techniques that maybe explored and utilized by the APO for future PSP activities and related programs.

II. The APO Public Sector Productivity Program and Center of Excellence

The APO recently developed the Public Sector Productivity Program framework to guide the APO and the NPOs to strategize their activities and adopt a coordinated approach to promote innovation and productivity in the public sector. Through the PSP Program, the APO envisioned that public sector organizations, institutions, and professionals of member countries would be able to demonstrate produc-

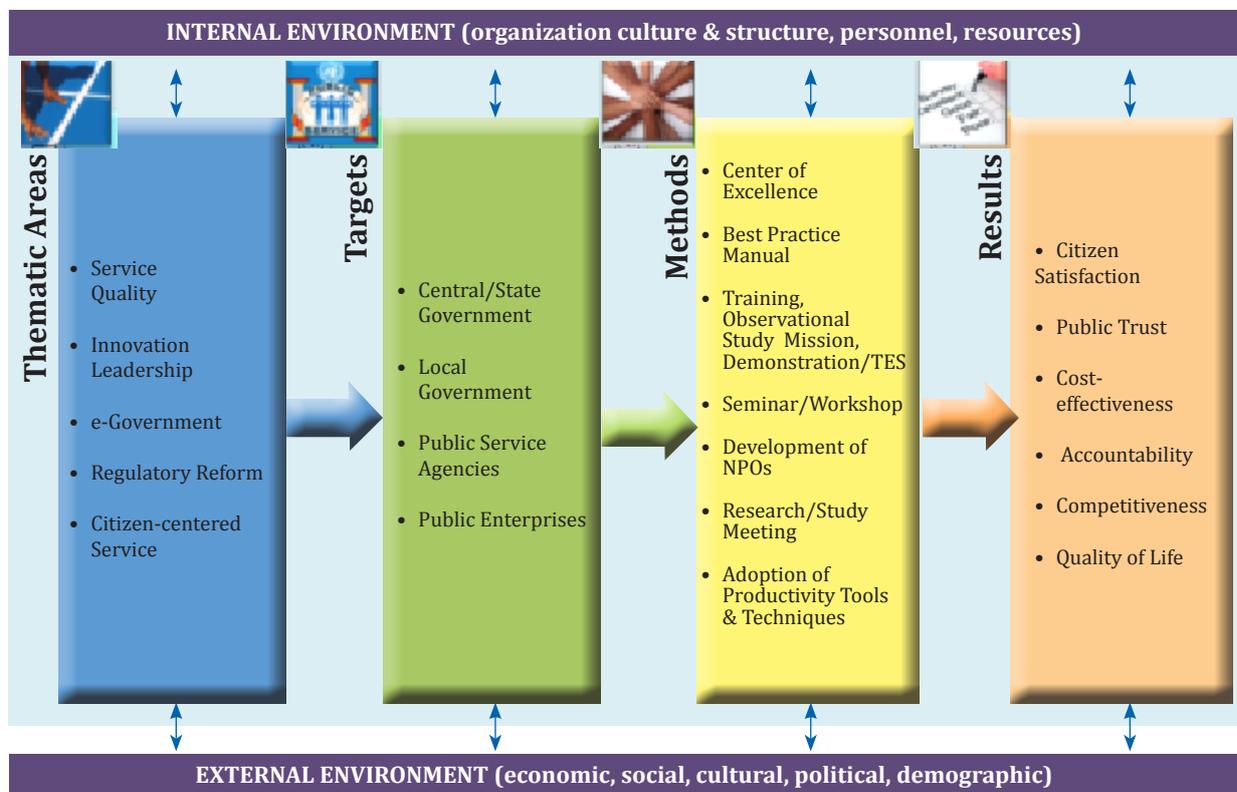


Figure 1. APO Public-sector Productivity Program framework.

tivity enhancement leading to citizen satisfaction and greater public trust, cost-effectiveness and increased accountability in the use of public resources, national competitiveness and better quality of life.

The Public Sector Productivity Program framework laid out what NPOs consider as most urgent and relevant to enhance public sector productivity in terms of thematic areas, targets, methods and expected results. Five thematic areas were adopted reflecting the priority areas for engagement of the APO and NPOs: 1) Service Quality, 2) Innovation Leadership, 3) e-Government, 4) Regulatory Reform, and 5) Citizen-centered Services. Service quality focuses on achieving service excellence by continuous and incremental improvement in quality of services offered by the public sector organizations. E-government is about effective use of information and communication technologies in operations of public sector organizations in order to improve overall productivity. Innovation leadership focuses on the creation of more efficient and effective products and services that are readily available to governments by influencing others in the accomplishment of public tasks. Regulatory reform seeks to help governments improve regulatory quality by reforming regulations that raise unnecessary obstacles to competition, innovation and growth, while ensuring that regulations efficiently serve important social objectives. Citizen-centered service means promoting high levels of citizen satisfaction with public-sector service delivery by learning citizen's expectations, measuring service performances, ensuring accountability, and improving the capacity of the public sector.

The targets of the APO PSP programs comprise central and local governments, public service agencies, and public enterprises. Here, government encompasses central/federal and state/provincial government organizations and local bodies including municipal/city governments. Public service agencies cover all government owned agencies that provide services to businesses and citizens. Public enterprise includes all manufacturing facilities owned by the government.

As part of the methodologies, it was proposed that a center of excellence in the region providing services to public sector organizations be created. It should be noted that the establishment of a COE in areas where national productivity organizations possess unique strengths and expertise is a key strategy adopted by the APO to develop said NPOs. On 27 April 2015, the APO Governing Body formally designated the Philippines as the COE on Public Sector Productivity. The COE is based at the Development Academy of the Philippines (DAP), which is also the NPO of the Philippines. The DAP is a public sector think-tank and main training arm of the government.

The mission of the COE on Public Sector Productivity is fourfold:

- 1) To assist the APO in advancing the public sector productivity movement in the Asia-Pacific region;
- 2) To help address common and critical issues on public sector productivity performance besetting the APO member countries;
- 3) To foster cutting-edge research, facilitate training and knowledge-sharing, and support outreach to APO member countries in raising productivity of the public sector organizations in the region; and
- 4) To serve as hub of a "web of collaborators" on innovation and productivity in the public sector.

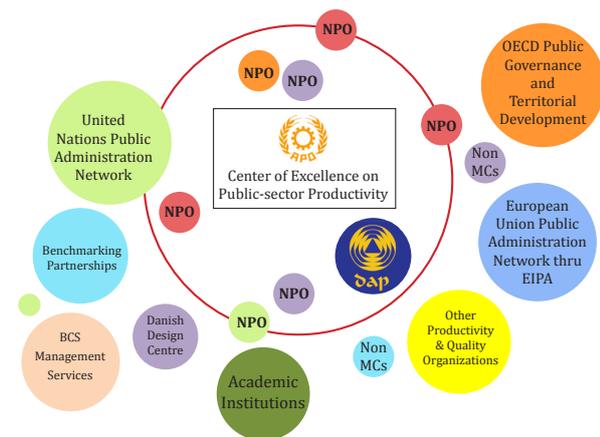
The COE activities are broadly categorized according to its four pillars: 1) PSP Knowledge Center, 2) PSP Capability Development Program, 3) PSP Innovation Laboratory, and 4) PSP Research Program.

The PSP Knowledge Center would serve as an online repository of PSP knowledge products derived from APO projects. The PSP Capability Development Program would provide face-to-face and online training, seminars, etc. for APO member countries for PSP knowledge transfer. The PSP Innovation Laboratory would serve as venue for NPOs and public organizations to obtain firsthand information, demonstrate and practice PSP tools and approaches. The PSP Research Program would endeavor to study emerging trends and good practices in PSP and develop tools and techniques to strengthen the capacity of the COE and transfer knowledge to other NPOs and public organizations.

The COE is being developed in partnership with respective NPOs and member countries. On 23–24 July 2015, the APO Coordination Meeting was held in Manila to draft a two-year roadmap and commence the jumpstart projects. For its inaugural year, a necessary activity is the research on the state-of-the-art and cutting edge strategies and methodologies to improve public sector performance. Benchmarking with like institutions and advanced public sector organizations within and outside the Asia-Pacific region e.g. the EU Public Administration Network (EUPAN), the European Institute of Public Administration (EIPA), and the like would provide the COE valuable inputs in refining the conceptual design and scope of activities of the COE on Public Sector Productivity.

Figure 2. Concept of COE on Public Sector Productivity-Web of Collaborators

Source: COE Concept Note



### III. The First Public Sector Performance Study Mission in Europe

As part of the international outreach activities, the Benchmarking Partnerships, the CAF Resource Centre of the European Institute of Public Administration (EIPA), and the BCS Management Services, in cooperation with the APO, organized the First Public Sector Performance Study Mission in Europe from 27 September to 2 October 2015. Considering the relevance and in support of the COE research, the APO sent two expert delegates to this study mission: Mr. Bruce Searles, APO Benchmarking Expert and Ms. Magdalena Mendoza, DAP Senior Vice-President and key officer of the COE on Public Sector Productivity. Four APO member countries also sent self-financed participants: Fiji (four delegates representing the Fiji Revenue and Customs Authority, the Fiji Roads Authority, the Department of Immigration and the Itaukei Land Trust Board), Mongolia (three delegates representing the Darkhan Thermal Power Plant, the Mongolian Productivity Organization, and the Social Insurance Government Office), Philippines (one delegate from the Development Academy of the Philippines) and Singapore (two delegates from the Inland Revenue Authority). Dr. Jose Elvinia, Program Officer of the APO Research & Planning Department, led the delegation. Together with the APO group were other delegates from the EIPA and the BCS Management Services.

The study mission had two parts. The first part consisted of lectures and benchmarking on performance management with public sector organizations in four countries - Belgium, Netherlands, Germany, and Luxembourg. Among the organizations visited by the delegation were: 1) the European Institute of Public Administration and the CAF Resource Center in Maastricht, 2) the City of Mannheim in Germany, 3) the Belgian Federal Public Service Finance in Brussels, and 4) the Air Navigation Administration in Luxembourg. In between the visits were lectures on Total Quality Management, the Common Assessment Framework, as well as presentations of the Italian case on CAF in education (in particular the *Istituto Professionale di Stato L. Milani*) and the CAF implementation within the Belgian Federal Government. The second part was the 8th European Quality Conference.



In photo: Patrick Staes, Bruce Searles and Terry Pilcher briefing the APO delegates on the program upon arrival in Brussels.



In photo: Christine Gebler sharing the CAF experience of the City of Mannheim.

#### Lectures and Study Visits

All delegates arrived in Brussels, Belgium, on 27 September 2015 and had a round of introductions about each other, expectations, and program of activities. In general, delegates wished to learn more about the practices, trends and advances in improving the performance of the public sector. Other subjects of interest were challenges encountered and strategies to respond effectively. Relatedly, the organizers emphasized the proper code of conduct when benchmarking and the management of learning to synthesize lessons from the visits.

On 28 September 2015, the delegation moved to Maastricht, Netherlands, to visit the headquarters of the European Institute of Public Administration. EIPA is hailed as a center of excellence on European integration and public management. It was created in 1981 to support the EU member states in conducting research, consulting and developing the necessary competencies in various facets of public policy and administration, among others. EIPA has three units: European Decision-Making, European Public Management and European Policies. EIPA has established centers, one of which is the CAF Resource Center, where the APO delegation had direct interaction.

At the EIPA, there were four presentations:

1. Presentation 1: European efforts on administrative capacity building in the public sector as a condition *sine qua non* for wealthy, healthy, fair and resilient societies by Mr. Patrick Staes of the European CAF Resource Center.
2. Presentation 2: General introduction on TQM in the public sector; the EUPAN, the European CAF Network, the European CAF Resource Center and the history of CAF by Mr. Patrick Staes and Mr. Nick Thijs.
3. Presentation 3: General Overview of the CAF 2013 model – criteria, sub-criteria and practical examples by Mr. Nick Thijs.
4. Presentation 5: CAF and Education case from Italy and major findings of the study on CAF and the sector of Education 2015 by Ms. Paola Maria Perrino, Istituto Professionale di Stato 'L. Milani' – Meda.

The APO delegation was no longer able to see the CAF movie and exercise planned for the first day due to lack of time. The Presentation 4: The process of the CAF implementation was reset while on travel.

On 29 September 2015, the delegation travelled to nearby Germany for a visit to the public administration of the City of Mannheim, a CAF user. The presentations covered:

1. Introduction to the City of Mannheim and city administration by Mr. David Linse
2. Presentation 6: The reform program & other interesting projects of the City of Mannheim by Ms. Alexandra Kriegel
3. Presentation 7: The CAF experience at the City of Mannheim (in one department) by Ms. Christine Gebler

After the presentations, delegates were given a quick guided tour of the city before heading back to Maastricht. The Presentation 8: The procedure of external feedback and the CAF Label was moved to another session due to lack of time.

On 30 September 2015, the APO delegation visited public agencies in Brussels and Luxembourg. The presentations covered:

1. Presentation 9: Modern leadership in the public sector & Leadership development in the Federal Public Service Finance by Mr. Kurt Van Raemdonck, Di-



In photo: Nick Thijs of European CAF Resource Centre explaining the evolution of Quality Management in the European public sector.

2. Presentation 10: The Belgian CAF Resource Centre by Manu Breyngaert, FPS Personnel & Organization
3. Presentation 11: A Belgian case, Catalogue of services – a balanced partnership by Ms. Sophie Jurfest and Ms. Isabelle Mottet
4. Presentation 13: Quality management system & interactive exchanges by Mr. John Santurbano, Director of Air Navigation Administration (Luxembourg), Mr. Mathieu François, Head of ATC and Mr. Roland Reiser, Head of AIS/Security

The ANA hosts brought the delegation inside the facilities and the control tower to meet the personnel-in-charge and observe actual air traffic control operations. To complement the presentations, the organizers facilitated small group discussions on key observations and learning points from the study visits. An exercise was also given to familiarize delegates with CAF enablers and results.

Conference Proper



In photo: Director John Santurbano briefing the APO delegates on the Air Navigation Administration (Luxembourg).

The second part of the mission was participation in the 8th European Quality Conference (8QC). Accordingly, since 2000, the EUPAN has established a “tradition of stimulating the quality dynamic in public administrations” via the European Quality Conference which is held every two years. The 8QC was organized by the Luxembourg Presidency of the European Union (through the Ministry of Civil Service and Administrative Reform) in association with EUPAN, EIPA and Luxembourg Institute of Science and Technology. It was held on 1-2 October 2015 at the Maison du Savoir, Cite des Sciences, Esch-Belval in Luxembourg. The conference featured approaches, frameworks, and strategies of public sector organizations to enhance their management and innovative capacity and respond to the changing public needs and expectations amid the economic crisis that beset some European countries.

Overall, the 8QC was well-represented, rich in content and perfectly executed. It is estimated that about 264 delegates from EUPAN in particular, civil servants and public managers from 29 EU Member States (Austria, Azerbaijan, Belgium, Bulgaria, Czech Republic, Den-



*In photo: Opening session of the 8th European Quality Conference at the Maison du Savoir, Cite des Sciences, Esch-Belval in Luxembourg, with over 264 delegates from EUPAN and special participation of international delegates from selected APO member countries.*



*In photo: Minister Dan Kersh of the Ministry of Civil Service and Administrative Reform of Luxembourg delivering his keynote address to the 8QC delegates.*

mark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Macedonia, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and Turkey) including international participants from APO member countries (Fiji, Mongolia, Philippines, Singapore) and mission organizers from Australia and the United Kingdom, participated in the conference. Also in attendance were representatives of the European Commission, the OECD, the EIPA, the Danish Design Center, the Luxembourg Institute of Science and Technology, the IDHEAP of University of Lausanne, and of course, the APO.

The 8QC was designed in such a way that the most recent and cross-cutting issues and trends were tackled in the plenary, while the specific cases were taken up in parallel sessions. There were four plenary sessions:

Plenary 1: Mr. Stephane Jacobzone of OECD talked about “Improving policy making: what are the options for government? An OECD perspective”

Plenary 2: Mr. Sune Knudsen, Danish Design Center presented “Government by Design”

Plenary 3: Mr. Florian Hauser, European Commission presented “Quality of Public Administration- A toolbox for practitioners”

Plenary 4: Prof. Yves Emery (IDHEAP University of Lausanne) delivered lecture on “The wisdom of quality management pioneers revisited: lessons for the 21st century.” A wide range of cases of good practices was shared in the twelve parallel sessions featuring 30 public sector organizations.

Session 1: Better results via evidence-based performance management (featuring cases from Austria, Lithuania and Greece)

Session 2: Strategic thinking in a future-oriented public administration (with cases from Poland, Portugal and Luxembourg)

Session 3: Public administration in the cycle of policy design, implementation and evaluation (with cases from France, Netherlands and Finland)

Session 4: Enhancing social responsibility in public administration (with cases from Romania and Poland)

Session 5: Speak up! – Opportunities of Apps and Social Media (with cases from Norway, Romania and Latvia)

Session 6: Towards more integrated services solutions (with cases from Netherlands, Finland and Ireland)

Session 7: Towards a more transparent and accountable public administration (with cases from Slovenia, Greece and Italy)

Session 8: Design-Thinking in the public sector (facilitated by Danish Design Center and the Luxembourg Institute of Science and Technology)

Session 9: Leadership and Human Resources in a changing society: adequate transition or lost in translation? (with cases from Germany, Portugal and Belgium)

Session 10: A Copernican revolution: human-centric approaches facilitated by ICT? (with cases from Denmark, Lithuania and Latvia)

Session 11: Impact of insourcing and outsourcing in public administration (with cases from Sweden, Belgium and Luxembourg)

Session 12: Strengthening ethical behaviour and fighting corruption (with overview of tools and a case from Estonia)

To allow for greater interaction between the presenters and the delegates, parallel sessions were complemented with in-depth discussion on the cases. To be able to cover the full range of topics, the APO Study Mission spread out the delegates in each parallel session.

In between the sessions and during breaks, venue was allotted for networking with other participants although in the case of the APO delegation, interaction was limited due to the very compact schedule of sessions. Members of the delegation also waived the dinner socials hosted by the organizers during the first night of the conference. Nonetheless, the delegation felt comfortable with the warm reception and affirmation extended by the 8QC hosts from EIPA, especially Mr. Patrick Staes and Mr. Nick Thijs as well as delegates from organizations visited earlier.

The 8QC concluded on 2 October 2015. Mrs. Paulette Lenert, Director General of the Ministry of Civil Service and Administrative Reform of Luxembourg recapped the activities and reiterated how the conclusion of the EU Ministers in charge of public administration - “quality of public administration affects competitiveness, growth, social cohesion and therefore the need to modernize administrative systems is a top priority.” With this perspective, the public sector becomes “part of the solution” and the “the problem to be solved.” She invited the delegates to the 9th European Quality Conference, which will be held in 2017.

After the conference, the APO Mission headed back to Brussels. The remaining activities – action planning, evaluation of the Study Mission, and simple closing – were conducted while in transit. In sum, the delegates found the Study Mission very organized, informative and productive, notwithstanding its very compact schedule and the long travels entailed for the site visits. Dr. Elvinia thanked the organizers on behalf of the APO and delegation, and expressed appreciation for the unique opportunity to do benchmarking with public sector organizations in Europe and the excellent arrangements provided by the organizers for the delegates.

Please refer to Annexes for detailed program of activities and description of various sessions.



*In photo: Dr. Elvinia of APO expressing gratitude and affirmation to officials of the Benchmarking Partnerships, BCS Management Services, and EU CAF Resource Center and the delegates for the very fruitful Research Mission on Recent Trends in Public Sector Productivity and Performance in Europe.*



*In photo: Prof. Emery of IDHEAP University of Lausanne revisiting the wisdom of quality management gurus.*

Member States of the European Union should work on public sector reform. The direction of reform, however, is no longer about right sizing of government but toward quality of government since “there is a very powerful correlation between the quality of government and good economic and social outcomes” (Fukuyama, 2014 as cited by Staes, 2015). The same finding is supported by the Worldwide Governance Indicators scores on government effectiveness - the EU countries with good quality of public sector are doing well e.g. in terms of competitiveness. It is noted that both EIPA and APO use common measure i.e. WGI government effectiveness dimension – as indicator of quality of the public sector. More than productivity, EU emphasizes good governance, which in part, is about “public administration performance” (Staes, 2015). It should be noted though that in the context of APO, the term public sector productivity is broad in scope and meaning, aiming to contribute to cost-effectiveness, competitiveness, greater citizen satisfaction and heightened public trust with the public sector as well as to the improvement of quality of life of the citizenry. Nonetheless, APO may wish to refine the PSP Program Framework to reflect these insights.

### 2. Public sector as part of the solution

It is a known fact that some EU states are in the midst of crisis and or facing serious social, economic and political challenges. One recent trend in Europe, as observed during the 8QC, is the changing perspective on the role of the public sector in times of crisis. The key message of the conference stressed how public sector organizations can become part of the solution (and not the problem) and be able to strengthen their innovative capacity to address the current and emerging challenges “for sustainability, social cohesion, economic growth and labour market” of EU member states. As mentioned by Mr. Dan Kersch, Minister for the Civil Service and Administrative Reform of the Grand Duchy of Luxembourg, the various Ministers responsible for public administration in EU member states during their meeting in Rome in December 2014 identified that “key challenges for public sector modernization include ways to ensure implementation through innovation and the development of new capabilities as well as effectiveness through evidence-based policy decisions.” The issues of public trust and transparency, together with strategic management and innovation capacity have become more prominent and high in the agenda of public administrations in EU. For instance, this has also prompted, as in the case of Luxembourg and other EU member states, to look into emerging practices and challenges in Human Resources Management and Public Service Delivery to the extent that these can stimulate further innovation and open government practices.

The new perspective propounded by the EUPAN augurs well with the APO scope of public sector productivity that means, one on hand, raising the technical efficiency of public sector organizations to ensure value for taxpayers’ money and, on the other, strengthening performance of public sector organizations as enablers (not the obstacles) to enhancing the overall societal productivity.

The themes of the 8QC conference made explicit the priority concerns of the EU public sector – evidence-based policy making, strategic thinking in a future-oriented and innovative public administration, strengthening professionalism, innovative service provision, and societal responsibility. These challenges are similarly critical concerns of APO member countries. Therefore, the manner by which EU Member States innovate and address these challenges, as discussed in subsequent sections, may be useful and informative to public sector organizations in APO member countries. APO may explore with 8QC organizers if the materials are open to public and if it is possible for other APO member countries to access these online.

### 3. Service quality (achieving service excellence by continuous and incremental improvement in quality of services)

In the EU context, a quality public sector organization is synonymous to a good functioning public sector organization, and quality management is taken to mean organizational management. Their quality movement has evolved from basically “improving the process” to “holistic approach,” levelling up from “assurance of the level of quality (quality system) e.g. ISO 9000” to performance “excellence.” Along this line, EIPA has developed the Common Assessment Framework (CAF) as a platform of organizational development toward excellence in the public sector. CAF is a total quality management tool taken after the EFQM excellence framework though constructed in the context of the public sector based on agreement within the EUPAN.

The CAF is very similar to the business excellence model which most APO member countries use for the quality awards. Unlike the BE model, the CAF model has nine dimensions divided into five enablers and four results areas. The enablers are: 1) leadership, 2) strategy and planning, 3) people, 4) partnership and resources and 5) processes. The results areas are categorized according to: 6) citizen/customer-oriented results, 7) people results, 8) social responsibility results, and 9) key performance results (EIPA, 2013). Here, we note that the CAF made provision to capture the unique key performance indicators i.e. organizational, sectoral and or societal outcomes specific to public agencies. It is also observed that innovation and knowledge management is treated not as a separate dimension but as a cross-cutting concern.

## IV. Trends in Enhancing Public Sector Productivity and Performance in Europe

### 1. Increasing importance of quality management in the public sector

Counterparts from EUPAN/EIPA stressed the importance of quality management in the public sector “as a condition sine qua non for wealthy, healthy, fair and resilient societies” (Staes, 2015). A key priority of the EU is to strengthen the institutional capacity and efficiency of public administrations and public services at the national, regional and local level (EIPA). Accordingly, no less than the President Juncker of the European Commission has underscored that

While it is recognized that most APO member countries have already established their own BE frameworks, the COE on Public Sector Productivity hopes to adapt a suitable performance excellence framework to the public sector. Since CAF is readily available and tested by more than 4,000 users in European countries, APO may consider its adoption/ready application by interested NPOs and MCs. In line with the COE Capability Development Program, APO can hold a workshop to study and assess the CAF, train the trainers, and as part of the envisioned Innovation Laboratory, pilot/demonstrate the CAF organizational development methodology in selected public sector organizations from interested APO MCs. The sites visited by the APO Mission and the presentations during the 8QC could serve as illustrations of outstanding quality improvement projects derived from a systematic gap assessment using the CAF.

**4. Innovation leadership (creating more efficient and effective products and services that are readily available to governments by influencing others in the accomplishment of public tasks)**

Importance of leadership to stimulate innovation has been re-emphasized by public administrations in EU. In Luxembourg, as mentioned by the Minister for the Civil Service and Administrative Reform, a new law on public sector reform was passed recently, which among others, was designed to “strengthen strategic management, leadership and innovation capacities” in the public sector (Kersch, 2015). At the Belgian Federal Public Service Finance, leadership development became a strategic concern since 2011. The agency believes that career executives need more than technical skills to effectively manage and motivate a team to deliver citizen-oriented services. Leadership development has become urgent in the light of ageing workforce and massive retirement wave, the “war for talent”, on-going rationalization and modernization of the agency. The FPS Finance new leadership model emphasized the role of each executive as leader, coach and change agent (Van Raemdonck, 2015).

Another good practice being observed in EU member states is “strategic thinking in a future-oriented public administration” done in consultation with stakeholders and breaking silos and barriers in order to create innovative solutions and development strategy. An emerging trend is “design-thinking” which is defined as a “method for practical, creative resolution of problems and creation of solutions, with the intent of an improved future result.” This “cognitive solution-building” methodology is recognized as a state-of-the-art technique to design innovative policies and public services (Knudsen, 2015). It is recommended that APO invite resource speakers from the Danish Design Center to conduct a workshop on new methodology of thinking to promote innovation in the public sector and also advise on how the Innovation Laboratory under the COE on Public Sector Productivity can apply the concept in assisting public sector organizations in co-creating solutions and demonstrating applications.

**5. e-Government (effective use of information and communication technologies in operations of public sector organizations in order to improve overall productivity)**

With the digitization of many work processes, EU member states apply human-centric approaches to enable civil servants to acquire new competencies. One example is the use of tablets in the context of new working procedures with the goal of shifting from manual paper to electronic means and creating more effective work processes. A very interesting example was the “intelligence police activity model” in Lithuania which sought to strengthen the abilities of the police by implementing modern technologies (e.g., use of tablets to directly transfer information and achieve better coordination of agencies).

There were several examples of innovative e-Government applications presented and exhibited during the conference such as G2C2B digitalization of immigration services (horizontal processes) including interfaces with over 30 different authorities; a “Feeling Guide” to monitor and prevent workplace risk factors; a “hormone check app” to enable citizens to take a proactive role in reducing use of endocrine disrupting chemicals in everyday products.

Another example of emerging integrated systems is the Electronic Simple European Networked Services (e-SENS), a project aimed at facilitating the mobility of citizens and business in the EU single market, in support of the Digital Agenda for Europe. The e-SENS has four domains: e-health (to make it easier to use healthcare services abroad), e-justice (for easier access to EU legal systems), e-procurement (to enable electronic bidding across borders), and business set-up (to make it easier for national companies to set up business in the EU electronically). The building blocks of e-SENS are e-Documents, e-Delivery, e-ID, e-Signature and semantics for common reference (e-SENS, 2015).

**6. Regulatory Reform (improving regulatory quality by reforming regulations that raise unnecessary obstacles to competition, innovation and growth, while ensuring that regulations efficiently serve important social objectives)**

Major work in the area of regulatory reform is being undertaken by the OECD. The OECD has developed a Policy Toolkit to help deal with a new context in policy development featuring modules on: Talking to leaders, Engagement practices, Strengthening evidence, The role of advice, Managing the risk of capture, and Taking advantage of behavioral approaches. Among others, the modules emphasize the need to create space for innovative policy solutions and non-traditional approaches such as crowd sourcing, open data, and behavioral approaches (example of this was the nudge approach in areas such as tax collection and road safety). The OECD conducted a Survey of Regulatory Policy practices, the results of which may be useful information as well to APO member countries with programs on regulatory reform.

**7. Citizen-centered services (promoting high levels of citizen satisfaction with public-sector service delivery by learning citizen’s expectations, measuring service performances, ensuring accountability, and improving the capacity of the public sector)**

The citizen/customer-orientation remains at the top of the agenda of EU. Citizen and stakeholder engagement is emphasized in designing better ways of service provision and even in policy development as discussed above.

An instrument to measure citizen/customer satisfaction (e.g. Servqual) and a Primer on Customer Satisfaction Management are well developed. These are also linked to the CAF. Worth exploring with the EIPA CAF Centre in future PSP training programs is their advanced concept of citizen/customer satisfaction management such as “co-design”, “co-decision”, “co-production”, and “co-evaluation”, as well as the different methods of gaining insight from stakeholders.

In relation to PSP, the future activities of EU are still directed raising further the quality of public administration and capacitate to produce results. EIPA has developed a Toolbox for Practitioners to help EU Member States achieve real improvements i.e. innovations leading to desired outcomes for the citizens and business. The toolbox has seven themes: Better policy making, Embedding ethical & anti-corruption practices, Professional and well-performing institutions, Improving service delivery, Enhancing the business environment, Strengthening the judicial system, and Managing public funds effectively. This is available online but non-EUPAN members may need to

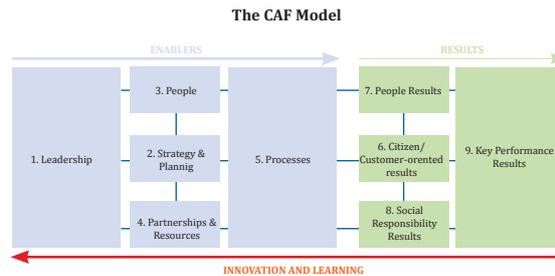


Figure 3. EUPAN Common Assessment Framework.  
Source: European Institute for Public Administration.

seek clearance to access.

#### 8. Future trend – Wisdom of Quality Management for the 21st century

In the light of EU experience, Prof. Emery of University of Lausanne recently revisited and proposed the revision of the “wisdom” of quality management gurus – W. Edwards Deming, Joseph M. Juran, Kaoru Ishikawa, and Philip B. Crosby – for the 21st century. To be sure, these nuggets of “wisdom” have universal application. These have implications on the current strategies and approaches in embedding the quality mindset and discipline in public sector organizations which could be the subject of discussion in future APO programs.

#### Wisdom of Quality Management for the 21st Century: Revisited

Original Wisdom	Revised for the 21st century by Prof. Emery
1. Everyone is “for” quality. No one is “against” quality. No one – not managers, supervisors, specialists, the work force, the union. No one. (J.M. Juran, 1989)	Everyone is <<against>> quality, if quality is defined by <<others>> (managers, QM specialists, even clients or customers...)
2. Quality is free. It’s not a gift, but it’s free. What costs money are the unquality things – all the actions that involve not doing jobs right the first time. (P. Crosby, 1979)	Quality has a cost, which depends on political choices ... the unquality things still cost.
3. Think of the chaos that would come if everybody did his best, not knowing what to do. (E.W. Deming, 1982)	Think of the chaos that would come if everybody did his best knowing (only) what to do.
4. The major obstacle to arriving at the optimum has been the urge to suboptimize [...] it is fostered by the prevailing system of departmental goals [...] (J.M. Juran, 1989)	The major obstacle is related to organizational egoism and the reign of possessiveness. Interagency and interdepartmental cooperation is mandatory to master the complexity of today’s public demands.
5. Work standards, rates, incentive pay [...] are manifestations of inability to understand and provide appropriate supervision [...] the work of management is to replace work standards by knowledgeable and intelligent leadership (E.W. Deming, 1982)	The work of management is to combine work standards with intelligent leadership, instrumental and transformational.
6. It isn’t what you find; it’s what you do about what you find. (P. Crosby, 1979)	It isn’t what you do about what you find, it’s about steering, about evaluation, about learning.
7. Why spend all this time finding, fixing, and fighting when you could have prevented the problem in the first place? (P. Crosby, 1979)	Prevention is the sense of extended citizens’ participation and co-design with users, it’s key to the creation of public value.
8. The world is drowning in information but is slow in acquisition of knowledge. There is no substitute for knowledge. (E. W. Deming, 1982)	Knowledge acquisition is still a slow process. There is no substitute for knowledge sharing and transfer.
9. Management based on humanity is a system of management that lets the unlimited potential of human beings blossom. (K. Ishikawa, 1985)	Management based on trust and support is a system of management that lets the talents of every employee blossom.
10. Learning is not compulsory ... neither is survival. (E.W. Deming, 1982)	Learning is compulsory ... survival is no longer guaranteed (for public sector organizations).

Source: Emery (2015).

#### V. Future PSP Network and Experts’ Database

##### *Institutional Networks*

Through this Study Mission, the APO and delegates of NPOs were able to identify with centers of excellence such as the EIPA and the CAF Resource Center, other resource institutions which are potential collaborators for the COE. APO delegates were likewise able to network and establish contact with experts from 8QC, EUPAN, Benchmarking Partnerships, and BCS Management Services for future PSP programs.

1. European Institute of Public Administration (EIPA). The EIPA is Europe’s leading center of excellence on European integration and the new challenges for public management. It was created in 1981 on the occasion of the first European Council held in Maastricht, Netherlands. EIPA’s Board of Governors is composed of representatives of the EU Member States. It is self-sustaining - 80% of income raised by themselves and the rest is partly financed by the EU Commission and the Member States. As a center of excellence, EIPA’s work is categorized into: learning & development, consultancy and research. EIPA offers a wide array of learning and development programs in the fields of governance and administration. One of its outstanding units is the CAF Resource Centre, a center of expertise on CAF implementation, as well as promotion of CAF and good practice in its use among public administrations in Europe. EIPA has over 150 employees from more than 20 different countries. EIPA has Centers in Luxembourg and Barcelona, as well as presence in Brussels (EIPA, 2015).

2. The European Public Administration Network or EUPAN is an informal network of the Directors-General responsible for public administration in the EU Member States and the European Commission. EUPAN works in human resources, innovation, quality and e-Government to support efficiency and customer orientation in European public services. The network is organized on three levels: Ministers and the Commissioner responsible for public administration, Directors-General responsible for public administration, and working groups of civil servants from different Member States. The latter consists of HRM working group, e-Government working, Working group on better regulations and administrative simplification, and Innovative Public Services Group. EUPAN has no permanent headquarters as it is correspondingly led and staffed by the incumbent EU Presidency.
3. Benchmarking Partnerships. The Benchmarking Partnerships is a business excellence benchmarking firm based in Australia with global reach to 50,000 people, and owners and deliverers of Australian Quality Council benchmarking (Benchmarking Partnerships, 2015).
4. BCS Management Services. The BCS Management Services is a consultancy organization based in the United Kingdom offering management and other business services using its knowledge base, international networks and novel approaches (BCS Management Services, 2015).
5. Danish Design Center (DDC). DDC is an organization promoting the use of design in business and society. It is an independent, government-funded organization established in 1978 whose focus is on collecting, communicating and testing knowledge about the main factors that influence design and how design can continue to be a driver for innovation and growth in the future (e.g. developing innovative government services (DDC, 2015).

The abovementioned organizations could be made part of the “web of collaborators” of the APO in public sector productivity as illustrated in Figure 2. For instance, future partnership between the EIPA and the APO COE on Public Sector Productivity in demonstrating the CAF methodology for the public sector. With respect to the APO COE on Public Sector Productivity, the EIPA serves as a viable and dynamic model. By comparison, the proposed structure and scope of services of the COE on PSP are similar to large extent on the set-up and range of services of EIPA. APO may also collaborate with the Danish Design Center in planning the Innovation Laboratory envisioned under the COE on Public Sector Productivity. Future participation of APO member countries to the 9QC and benchlearning with other advanced countries may be coordinated again with EUPAN/EIPA, Benchmarking Partnerships and BCS Management Services.

Moving forward, APO and DAP may follow up discussions and consider formalizing the collaboration with these institutions via a Memorandum of Understanding.

#### *Individual Experts*

During the Study Mission, the delegation also met experts and distinguished individuals whom the APO COE on Public Sector Productivity could include in the PSP Database of Experts. Below is an initial list for reference.

1. Mr. Bruce Searles, Director and Managing Partner of Benchmarking Partnerships. Mr. Searles is a Fellow of Engineers Australia and a Benchmarking Expert resource of the APO, solely or jointly delivering practical and applied training and high profile public workshops on leadership, business excellence and benchmarking is various parts of the world. He served on expert committees for the New South Wales and Federal Governments, Engineers Australia and SAI Global. He facilitates Benchmarking Communities of Practice on many topics in Australia and across Asia. Mr. Searles is a Director of the Global Benchmarking Network covering 25 countries where he lead a team to engage hundreds of practitioners in an exhaustive study on the Future of Benchmarking in relation to Global Megatrends until 2030.
2. Mr. Patrick Staes, Senior Counsellor in public management at the Belgian Public Service Personnel & Organization and Seconded National Expert at the EIPA in Maastricht. Mr. Staes is the Senior Expert and Head of the European CAF Resource Centre also based at EIPA. One of his notable experience is on building a center of excellence on public sector quality management (within EIPA) on demand of the EU Ministers and Director-Generals of the EUPAN, supporting primarily the EU Member States by providing training, policy advice, research and organizing multicultural and multilingual conferences.
3. Mr. Nick Thijs, Senior Lecturer at the Public Management Unit of EIPA. Mr. Thijs works for the European Resource Center on Public Sector Quality Management and capacity building projects such as quality management with the Common Assessment Framework. He coordinates a community of practice of nearly 4000 public sector organizations covering 52 countries through organized study visits, benchlearning, and exchange of good practices. One of his recent projects was an “Administrative Capacity Building & Modernizing Public Administration Toolbox” which contains seven thematic chapters on policy making, fighting corruption, strengthening institutions, improving service delivery, enhancing business environment, strengthening judicial performance, and managing funds.
4. Mr. Terry Pilcher, Partner of BCS Management Services. Prior to establishing his own company, he headed the UK Government’s Management Best Practice Unit, within the Department of Trade and Industry’s Small Business Service (now BIS), was the UK Representative on a Council Working Group in Brussels and team leader of other European Commission groups including tariff negotiations. Mr. Pilcher also worked with the HM Treasury with key tasks of training of civil servants and identifying productivity improvements throughout the UK Civil Service. He was a member of the Executive of the British Quality Foundation (EFQM) for several years and is currently a Director of the Global Benchmarking Network.
5. Mr. Stephane Jacobzone, coordinator of OECD Public Governance Committee. Mr. Jacobzone has extensive experience on institutional and regulatory issues, developing comparative indicators of regulatory policy, analyzing the governance of regulatory oversight, multi-level regulatory governance and the institutional design for economic regulators. He is also responsible for the OECD work on strategic risks, which includes the development of an OECD Recommendation on the Governance of Critical Risks.
6. Mr. Sune Knudsen, Program Director at the Danish Design Centre (DDC), an organization promoting the use of design in business and society. He is responsible for the Center’s activities toward the public sector and societal challenges. His notable experience as Public Sector Manager and Management Consultant include applying design methods in developing innovative services across all levels of the public sector. He started his career at MindLab, a cross-governmental innovation unit and was responsible for a number of innovation projects to fight administrative burdens and design user-centric approaches.
7. Prof. Dr. Y. Emery, Head, Public Management and Human Resource Unit of the Swiss Graduate School of Public Administration, ID-HEAP, University of Lausanne. Prof. Emery is Research Director and a consultant of public organizations. His expertise and areas of interest include HRM and quality management in the public sector, work identities and motivation, competency management and employability, rewards systems and training strategies in public organizations.
8. Practitioner-resource speakers during the conference who could share experience along the five PSP thematic areas.

Once the mechanism for creation of COE Experts’ Database is in place, APO and DAP can invite these experts and other individuals to join the COE Pool of Experts on public sector productivity. As may be necessary, APO may invite the appropriate experts to conduct relevant training and or provide advice in establishing selected components of the COE.

#### VI. Summary of Recommendations and Conclusions

In sum, the Study Mission proved very timely, relevant and useful in designing and organizing the newly formed APO COE on Public



*In photo from L-R: Anne (EIPA), Patrick (EIPA), Magdalena (DAP), Rosario (DAP), Jose (APO), Nick (EIPA) during the 8th European Quality Conference held in Luxembourg, 1-2 October 2015.*



*In photo: Delegates and Organizers of the First Public Sector Performance Study Mission in Europe visiting EIPA Headquarter Office in Maastricht, the Netherlands, 28 September 2015.*

Sector Productivity. The Study Mission also afforded the APO to learn the recent trends in enhancing public sector productivity, performance and quality of public administration, as well as establish initial links with PSP experts and potential collaborators.

The trend in EU underscores the demand for quality public administration and for the public sector to be part of the solution (and not the obstacle) augurs well with the APO thrust to assist member countries in raising public sector productivity (and governance quality). APO COE on PSP can learn from the strategies of EIPA and consider to adopt existing productivity and quality management tools which are already suited to the public sector context. But among others, this would require formalizing the collaboration with EIPA as part of the COE web of collaborators.

A number of suggestions have been put forward in the discussion above. Nonetheless, some of the recommendations for APO's consideration are reiterated below:

1. Consider adoption/ready application of the CAF methodology by interested NPOs and MCs. In line with the COE Capability Development Program, APO can hold a workshop to study and assess the CAF, train the trainers, and as part of the Innovation Laboratory initiatives, pilot/demonstrate the CAF organizational development methodology in selected public sector organizations from interested MCs.
2. APO invite resource speakers from the Danish Design Center to conduct a workshop on new methodology of thinking to promote innovation in the public sector and also advise on how the Innovation Laboratory under the COE on Public Sector Productivity can apply the concept in assisting public sector organizations in co-creating solutions and demonstrating applications.
3. Formalize collaboration with identified institutions like EIPA, OECD, Danish Design Center, Benchmarking Partnerships, BCS Management Services, etc. as part of the APO COE "web of collaborators" via a Memorandum of Understanding.
4. Continue the participation of APO member countries to the bi-annual European Quality Conference and related undertakings in other parts of the world. This may be organized and facilitated again through EIPA, the Benchmarking Partnerships and the BCS Management Services.
5. Host/Organize a big-event quality and productivity conference for the public sector (like the European Quality Conference) in the region, on a periodic basis to showcase experience of public sector organizations in APO member countries.
6. Explore with the EIPA future PSP training programs on the advanced concept of citizen/customer satisfaction management such as co-design, co-decision, co-production and co-evaluation, as well as the different methods of gaining insight from stakeholders.
7. Sharing the lessons and insights derived from this bench learning exercise to NPOs through publication of report.

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